



Fundamental Report
17 October 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.9775	14.9015	-0.0760	-0.51%
Euro/Rand	16.5356	16.5129	-0.0227	-0.14%
GBPound/Rand	19.1002	19.1094	0.0092	0.05%
AusDollar/Rand	10.0903	10.1062	0.0159	0.16%
Euro/USDollar	1.1035	1.1077	0.0042	0.38%
GBPound/USDollar	1.2752	1.2821	0.0069	0.54%
AusDollar/USDollar	0.6737	0.6782	0.0045	0.67%
JpyYen/USDollar	108.7000	108.7800	0.0800	0.07%

BDLive - The JSE closed higher on Wednesday, with gold miners leading gains, while the rand pared some losses after weakening through the R15/\$ level for the first time this week.

The local currency weakened to as much as R15.05/\$ in intra-day trade after Eskom said it would implement stage two load-shedding, which has worsened investors' fears about the state of the power utility.

"The concern is not directly related to the load-shedding but rather what the uncertainty means for Eskom. It was not forecast that they would be any supply constraints and, coupled with the precarious financial position, it creates uncertainty," said Mercator Financial Services analyst Nico Du Plessis. "Eskom forms a vital part of any economic growth in SA and concerns will directly affect the medium-term budget policy statement (MTBPS) and the perception of the credit rating agencies."



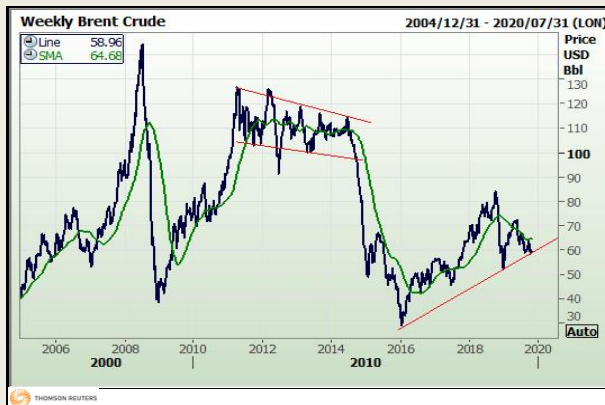
Commodities

	Last	Value Change	% Change
Platinum	884.04	1.04	0.12%
Gold	1488.48	-0.89	-0.06%
Silver	17.35	-0.04	-0.25%
Copper	2.59	0.00	-0.15%
Gasoil	585.75	-2.00	-0.34%
Brent Oil	58.96	-0.46	-0.78%

BDLive - Bengaluru — Gold held steady on Wednesday after dropping nearly 1% in the previous session, as European stocks slipped on uncertainties surrounding Britain's departure from the EU, while palladium hit a new high on tight supplies.

Spot gold was little changed at \$1,481.05 an ounce at 12.09pm GMT. US gold futures rose 0.1% to \$1,484.80.

"The euro is firmer against the dollar, stock markets came back a little bit too, which seems related to the Brexit talks after the euphoria yesterday, but there still are some risks in these talks," said Quantitative Commodity Research analyst Peter Fertig. "The developments in the US-China trade talks [are] again much ado about nothing, it is at best a ceasefire, but not really a trade agreement ... so economic uncertainties are still quite high and should be supportive for gold."



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	49855.06	0.00	0.00%
ALSI	49993.00	0.00	0.00%
S&P 500	2995.68	-5.99	-0.20%
FTSE	7211.64	-43.69	-0.61%
CAC	5696.90	0.00	0.00%
DAX	12670.11	0.00	0.00%
Hang Seng	26664.28	214.79	0.81%



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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	390.00	391.75	-1.50	1.75	392.50	0.75	2.50
MAR 2010	402.00	403.50	-0.75	1.50	404.00	0.50	2.00
MAY 2010	408.00	409.75	-0.75	1.75	410.25	0.50	2.25
JUL 2010	413.00	414.75	-0.50	1.75	415.00	0.25	2.00
SEP 2010	405.00	405.25	-1.00	0.25	405.75	0.50	0.75

FarmFutures - Corn prices eased slightly Wednesday on technical selling prompted by harvest pressure, as traders shrugged off lower-than-expected quality ratings from USDA late Tuesday and a large sale reported to Mexico this morning. December futures slipped 1.5 cents to \$3.9175, with March futures easing 0.75 cents to \$4.0350.

Corn basis bids were steady to mixed Wednesday, moving as much as five cents higher at a Nebraska elevator and as much as 4 cents lower at an Illinois ethanol plant today.

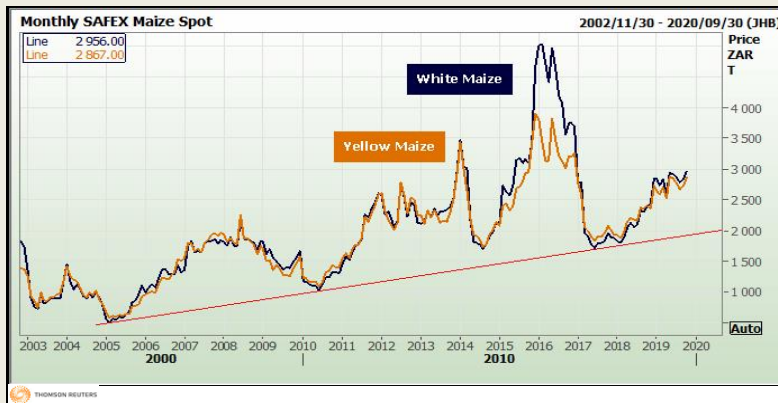
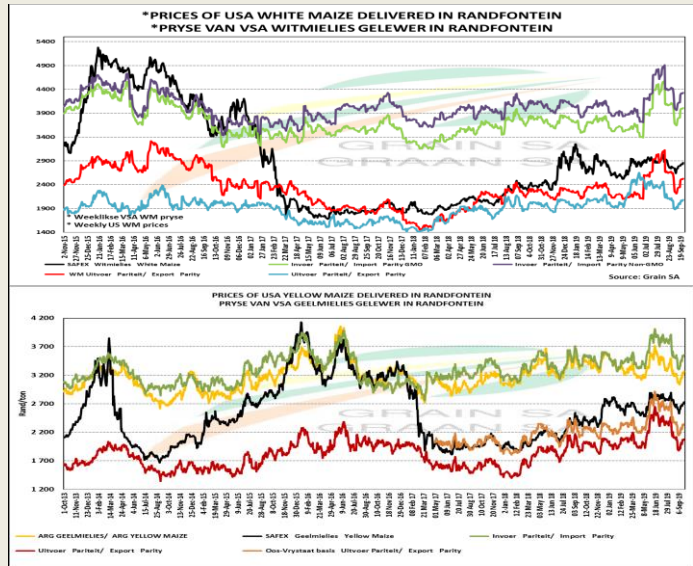
Private exporters reported to USDA the sale of 9.0 million bushels of corn to Mexico. Of the total, 60% is for delivery during the 2019/20 marketing year, which began September 1. The remainder is for delivery in 2020/21. For the week ending October 13, USDA moved corn quality from 56% rated in good-to-excellent condition a week ago down to 55%, matching analyst expectations. Current quality ratings suggest yield potential of 168.3 bushels per acre. Corn harvest pace reached 22% complete this past week, versus the prior week's tally of 15% and analyst expectations of 24%. That puts the 2019 harvest further behind the pace of recent years, including 2018's 38% and the five-year average of 36%. Only 73% of the crop is fully mature at this time. EIA's weekly ethanol production report will be delayed until Thursday morning due to Monday's Columbus Day holiday. Production has been in a general trend for the past month, bottoming out two weeks ago with a daily average of 958,000 barrels. November futures were down more than 1.25¢ this afternoon, to \$1.394, after trade groups expressed major concerns with the EPA's latest plans for lost biofuel demand, which deviate from what President Trump promised earlier in October. Grains traveling the nation's railways continue to fall below last year's pace, with another 20,911 carloads this past week.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Sep 2019				
Dec 2019	R 2 975.00	30%	R 3.00	R 2 978.00
Mar 2020	R 2 974.00	32.75%		R 2 974.00
May 2020	R 2 794.00	0%		R 2 794.00
Jul 2020	R 2 816.00	31%		R 2 816.00
Sep 2020	R 2 849.00	0%		R 2 849.00
Dec 2020	R 2 915.00	29%		R 2 915.00
Yellow Maize Future				
Sep 2019				
Dec 2019	R 2 880.00	23%	R 3.00	R 2 883.00
Mar 2020	R 2 848.00	21.5%		R 2 848.00
May 2020	R 2 711.00	0%		R 2 711.00
Jul 2020	R 2 721.00	20%		R 2 721.00
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 R6.00 up while Dec'19 YMAZ closed R2.00 lower. The Mar'20 WMAZ closed higher by R18.00 and Mar'20 YMAZ ended R4.00 up. The parity move for the Dec'19 Maize contract for yesterday was R7.00 positive.

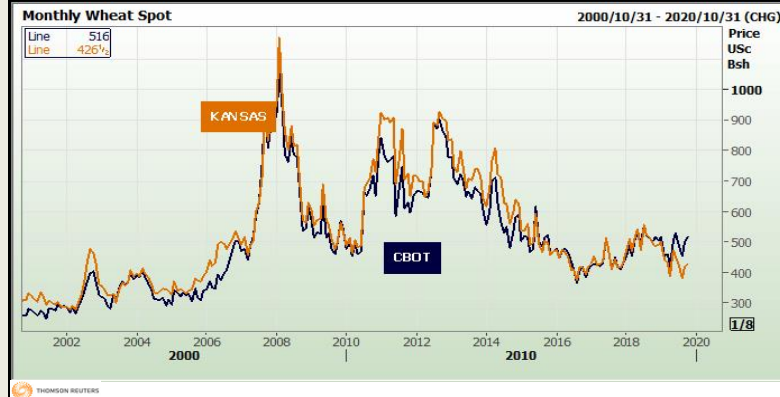


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Wheat Market

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	505.00	513.25	6.25	8.25	516.00	2.75	11.00	DEC 2019	420.00	425.00	3.75	5.00	426.50	1.50	6.50
MAR 2010	512.00	518.25	5.00	6.25	520.75	2.50	8.75	MAR 2010	433.00	437.75	3.50	4.75	439.00	1.25	6.00
MAY 2010	516.00	523.00	4.75	7.00	525.00	2.00	9.00	MAY 2010	443.00	446.75	2.75	3.75	447.75	1.00	4.75
JUL 2010	520.00	526.25	4.00	6.25	527.75	1.50	7.75	JUL 2010	453.00	455.50	2.25	2.50	456.50	1.00	3.50
SEP 2010	527.00	532.50	3.75	5.50	532.25	-0.25	5.25	SEP 2010	462.00	465.50	2.00	3.50	466.50	1.00	4.50



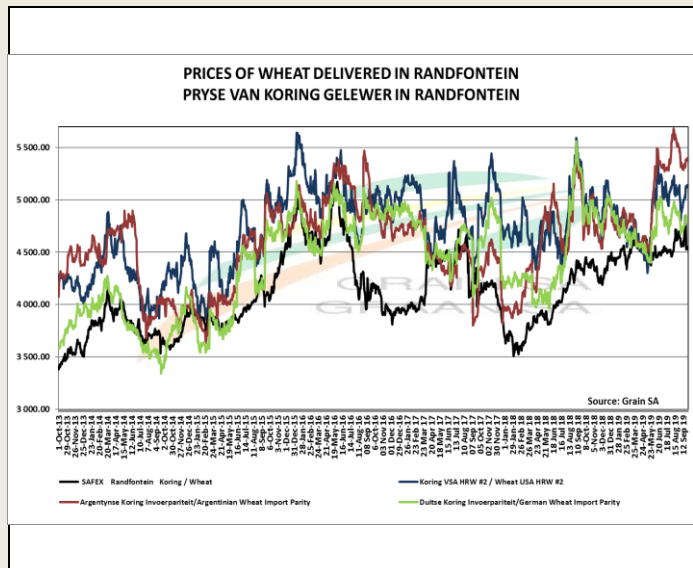
FarmFutures - Wheat prices firmed on a round of technical buying Wednesday, following overseas markets higher and supported by a large purchase from Egypt announced earlier this morning. December Chicago SRW futures gained 6.25 cents to \$5.1325, December Kansas City HRW futures added 4.25 cents to \$4.2525, and December MGEX spring wheat futures picked up 5 cents to \$5.51.

The spring wheat harvest is one step closer to completion, reaching 94% last week. That's up from 91% a week ago, but that crop has been completely out of the ground by mid-October in recent years. And winter wheat planting is moving right along, now at 65% complete – up from the prior week's tally of 52% and in line with 2018's pace of 64% and the five-year average of 65%. Egypt purchased 14.9 million bushels of wheat in an international tender that closed earlier this week. More than half of the total was sourced from Russia, with the remainder coming from France and Ukraine. Japan issued a regular tender to purchase 4.3 million bushels of food-quality wheat from the U.S., Canada and Australia that closes late tomorrow. Of the total, about 31% could be sourced from the U.S.

Preliminary volume estimates were for 85,603 CBOT contracts, bouncing moderately higher than Tuesday's final count of 56,056.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Sep 2019				
Dec 2019	R 4 537.00	11%	R 46.13	R 4 583.13
Mar 2020	R 4 625.00	9.5%		R 4 625.00
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 higher yesterday. The Dec'19 Wheat contract closed R24.00 up and Mar'20 Wheat closed R14.00 higher. The parity move for the Dec'19 Wheat contract for yesterday was R47.00 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 12pm
NOV 2019	932.00	928.00	-6.00	-4.00	929.50	1.50
JAN 2010	946.00	942.25	-6.25	-3.75	943.75	1.50
MAR 2010	957.00	954.50	-4.75	-2.50	955.75	1.25
MAY 2010	965.00	963.25	-3.75	-1.75	964.50	1.25
JUL 2010	975.00	972.25	-4.00	-2.75	973.25	1.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2019	304.8	304.80
JAN 2010	307.4	307.40
MAR 2010	311.4	311.40
MAY 2010	315.2	315.30
JUL 2010	319.3	319.40

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2019	30.4	30.45
JAN 2010	30.65	30.70
MAR 2010	30.91	30.96
MAY 2010	31.19	31.23
JUL 2010	31.48	31.54



FarmFutures - Soybean prices fell moderately Wednesday amid building harvest pressure and reports from USDA yesterday afternoon that crop quality firmed by a point, bucking analyst expectations. November futures dropped 6 cents to \$9.28, with January futures down 6.25 cents to \$9.4225.

Soybean basis bids were steady to firm across the central U.S. Wednesday, gaining 1 to 5 cents across multiple interior river terminals and moving as much as 10 cents higher at an Indiana processor today.

Soybean harvest is now 26% complete – up from last week's mark of 14% but still moderately behind 2018's pace of 37% and the five-year average of 49%.

From a quality standpoint, analysts were expecting USDA to lower ratings by a point, but conditions instead improved by a point, with 54% now in good-to-excellent condition.

Preliminary volume estimates were for 193,007 contracts, moving below Tuesday's final count of 237,268.

South African Futures Exchange

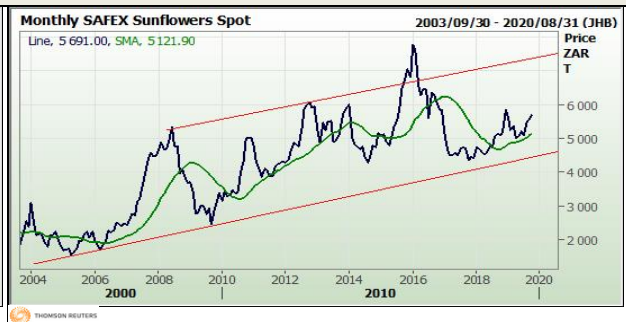
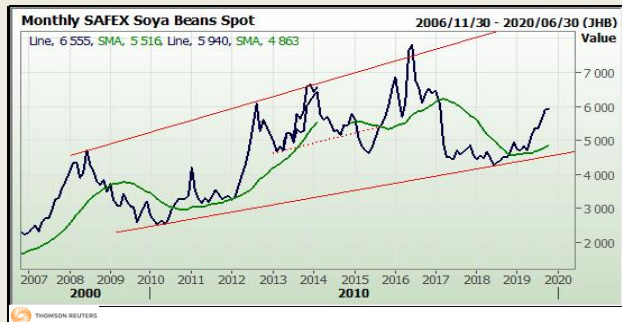
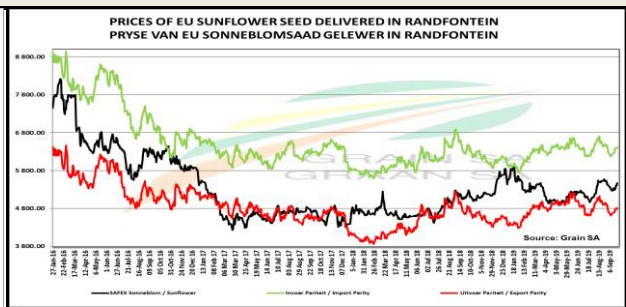
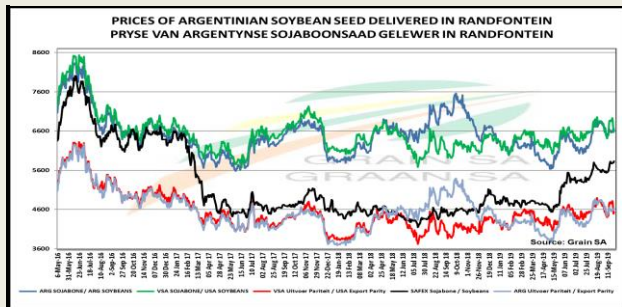
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 5 939.00	14%		R 5 939.00
Mar 2020	R 5 884.00	0%		R 5 884.00
May 2020	R 5 780.00	17%		R 5 780.00
Jul 2020	R 5 842.00	20.5%		R 5 842.00
Sep 2020	R 5 861.00	0%		R 5 861.00
Dec 2020				

Sunflower Seeds Future			
	MTM	Vols	
Sep 2019			
Dec 2019	R 5 803.00	16%	
Mar 2020	R 5 800.00	0%	
May 2020	R 5 350.00	13.5%	
Jul 2020	R 5 390.00	0%	
Sep 2020			
Dec 2020	R 5 575.00	0%	



The local Soya market traded mixed yesterday. The Dec'19 Soya contract ended R9.00 down while Mar'20 Soya closed unchanged. The parity move for the Dec'19 Soya contract for yesterday was R36.00 negative.

The local Suns market closed higher yesterday. The Dec'19 Suns contract closed R53.00 up and Mar'20 Suns closed R60.00 higher.



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