



Fundamental Report
23 October 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.6786	14.6191	-0.0595	-0.41%
Euro/Rand	16.3558	16.2542	-0.1016	-0.62%
GBPound/Rand	18.9832	18.7809	-0.2023	-1.07%
AusDollar/Rand	10.0695	9.9922	-0.0773	-0.77%
Euro/USDollar	1.1142	1.1118	-0.0024	-0.22%
GBPound/USDollar	1.2932	1.2846	-0.0086	-0.67%
AusDollar/USDollar	0.6860	0.6835	-0.0025	-0.36%
JpyYen/USDollar	108.5800	108.3100	-0.2700	-0.25%

BDLive - The JSE closed lower on Tuesday with miners leading losses, while global markets await more developments on Brexit.

UK members of parliament are currently debating the Withdrawal Agreement Bill that they will vote on in the coming days. Law makers voted against UK Prime Minister Boris Johnson's Brexit deal in a narrow defeat at the weekend, forcing him to request an extension of the Brexit deadline.

"It seems odds-on that a deal will pass tonight, however, the fact that October 31 is only a week away will probably necessitate an extension being requested to scrutinise all the litigation that such a plan will entail," said TreasuryONE senior dealer Andre Botha.

The rand strengthened to its best level in more than a month in intra-day trade on Tuesday bolstered by optimism in the US-China trade talks.



Commodities

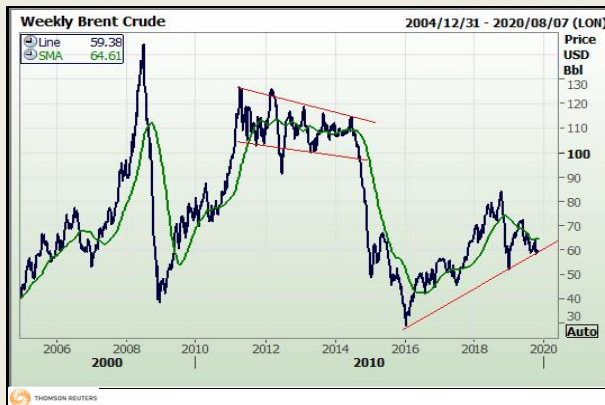
	Last	Value Change	% Change
Platinum	890.57	-0.43	-0.05%
Gold	1489.01	1.36	0.09%
Silver	17.53	0.01	0.07%
Copper	2.62	-0.01	-0.40%
Gasoil	586.25	-6.75	-1.15%
Brent Oil	59.38	-0.32	-0.54%

BDLive - Bengaluru — Gold was largely muted on Tuesday, weighed down by buoyant Asian shares that cheered progress in trade talks between the US and China, but found support from a lack of clarity in the negotiation details.

Spot gold was little changed at \$1,484.12 an ounce as of 4.23am GMT. US gold futures shed 0.1% to \$1,487.10 an ounce.

China and the US have achieved some progress in their trade talks, Chinese vice-foreign minister Le Yucheng said on Tuesday, adding that as long as both sides respected each other, no problem could not be resolved.

Le's comments came a day after US President Donald Trump spoke of optimism about a deal, while White House adviser Larry Kudlow said tariffs on Chinese goods scheduled for December could be withdrawn if talks go well.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	49610.14	0.00	0.00%
ALSI	49891.00	0.00	0.00%
S&P 500	3006.72	-10.73	-0.36%
FTSE	7163.64	48.85	0.68%
CAC	5657.69	0.00	0.00%
DAX	12754.69	0.00	0.00%
Hang Seng	26786.20	-268.85	-1.00%



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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	389.00	388.00	0.75	-1.00	389.25	1.25	0.25
MAR 2010	402.00	400.00	0.50	-2.00	401.00	1.00	-1.00
MAY 2010	409.00	406.75	0.00	-2.25	407.75	1.00	-1.25
JUL 2010	414.00	413.00	0.00	-1.00	413.50	0.50	-0.50
SEP 2010	405.00	405.00	0.25	0.00	405.75	0.75	0.75

FarmFutures - Corn prices saw moderate gains heading into Tuesday, which mostly bled out as the day progressed but still closed barely in the green at the close. December futures inched 0.75 cents higher to \$3.88, while March futures picked up half a penny to reach \$4.00.

Corn basis bids were steady to mixed Tuesday, inching 1 to 2 cents higher at two Midwestern locations but tumbling as much as 15 cents lower at an Indiana ethanol plant today. Farmer sales have been generally sluggish so far this week.

USDA has marked 30% of this year's corn harvest as complete by October 20, according to its latest report. That's ahead of the prior week's tally of 22% but below analyst expectations of 34%. Harvest pace is now further behind that of recent years, with a five-year average of 47%.

And 86% of this year's crop is now fully mature, which is better than the prior week's total of 73% but well behind 2018's pace of 99% and the five-year average of 97%.

But USDA saw slight improvement to corn crop quality last week, adding a point to reach 56% in good-to-excellent conditions. That bucked analyst expectations, which assumed the agency would lower that number to 54%.

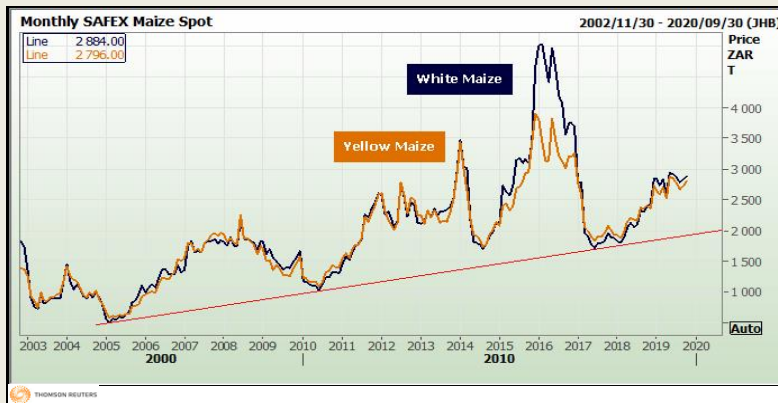
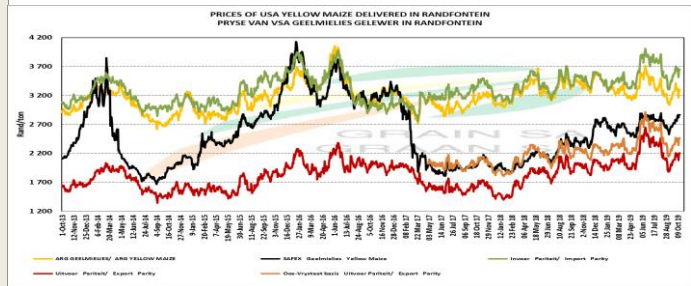
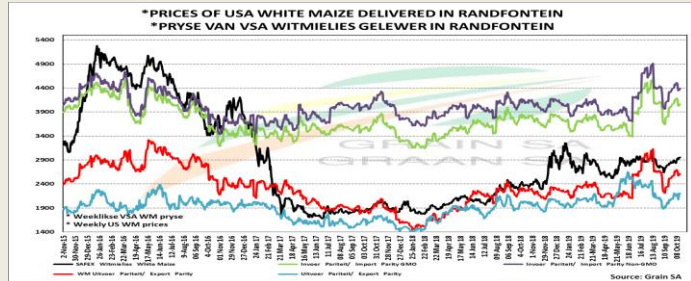
Preliminary volume estimates were for 208,630 contracts, falling a bit below Monday's final count of 222,665.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Sep 2019				
Dec 2019	R 2 908.00	28%	R -7.67	R 2 900.33
Mar 2020	R 2 924.00	33.5%		R 2 924.00
May 2020	R 2 781.00	0%		R 2 781.00
Jul 2020	R 2 782.00	32.5%		R 2 782.00
Sep 2020	R 2 847.00	0%		R 2 847.00
Dec 2020	R 2 926.00	29%		R 2 926.00
Yellow Maize Future				
Sep 2019				
Dec 2019	R 2 809.00	23%	R -7.67	R 2 801.33
Mar 2020	R 2 801.00	21.5%		R 2 801.00
May 2020	R 2 676.00	0%		R 2 676.00
Jul 2020	R 2 668.00	20%		R 2 668.00
Sep 2020	R 2 731.00	0%		R 2 731.00
Dec 2020	R 2 810.00	0%		R 2 810.00

The local Maize market traded lower yesterday. The Dec'19 WMAZ contract ended R79.00 down and Dec'19 YMAZ closed R61.00 lower. The Mar'20 WMAZ closed lower by R78.00 and Mar'20 YMAZ ended R54.00 down. The parity move for the Dec'19 Maize contract for yesterday was R10.00 negative.

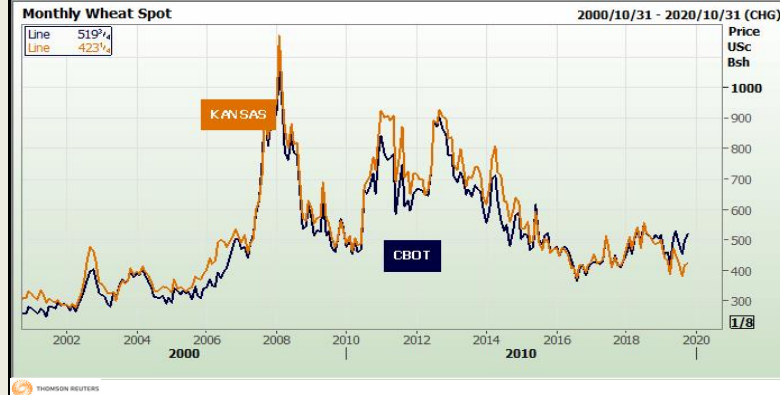


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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

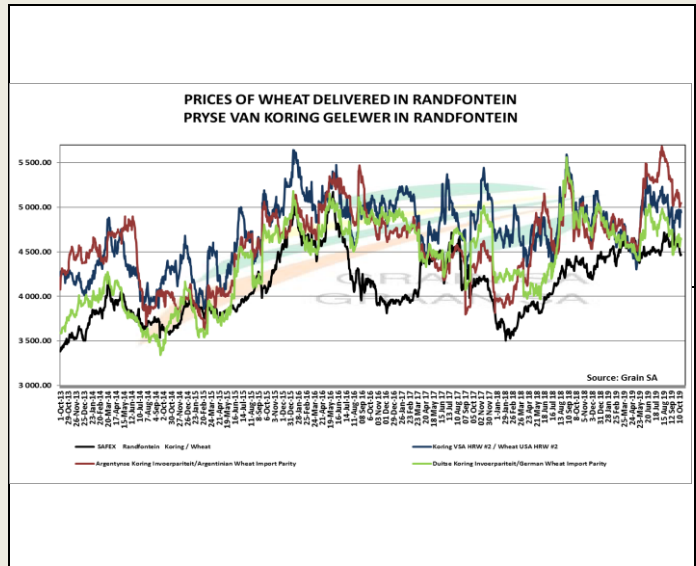
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
DEC 2019	528.00	518.00	-5.50	-10.00	519.75	1.75	-8.25	DEC 2019	431.00	421.25	-4.25	-9.75	423.25	2.00	-7.75
MAR 2010	534.00	524.25	-5.25	-9.75	525.00	0.75	-9.00	MAR 2010	444.00	434.75	-3.75	-9.25	436.00	1.25	-8.00
MAY 2010	540.00	529.50	-5.00	-10.50	529.50	0.00	-10.50	MAY 2010	452.00	444.00	-3.25	-8.00	444.75	0.75	-7.25
JUL 2010	543.00	533.50	-4.25	-9.50	533.75	0.25	-9.25	JUL 2010	460.00	453.00	-3.00	-7.00	454.25	1.25	-5.75
SEP 2010	549.00	540.25	-3.75	-8.75	541.00	0.75	-8.00	SEP 2010	469.00	462.50	-2.50	-6.50	462.75	0.25	-6.25



FarmFutures - Wheat prices were mixed Tuesday following an uneven round of technical maneuvering, with winter wheat contracts losing around 1% while spring wheat futures firmed slightly. December Chicago SRW futures fell 5.5 cents to \$5.18, December Kansas City HRW futures dropped 4.75 cents to \$4.2075, and December MGEX spring wheat futures added 1.25 cents to \$5.3975. This year's spring wheat harvest inches closer to the finish line - moving from 94% a week ago up to 96% as of October 20 - but that crop is typically completely wrapped up by this time of year. States recently slammed with snow, including Montana (92%) and North Dakota (95%) still have the furthest to go. Winter wheat planting, in contrast, has moved slightly ahead of the pace of recent years after reaching 77% completion. Last year's pace was 71%, with a five-year average of 75%. Fifty-three percent of the crop is now emerged, which is also in line with the prior five-year average. Buyers are starting to show some interest in wheat again, according to Farm Futures senior grain market analyst Bryce Knorr. There are several reasons for this - find out more in Knorr's latest Wheat Outlook column. Ukraine's agriculture ministry is expecting the country to harvest 1.032 billion bushels of wheat this year, which would trend 14.2% higher than 2018's totals, if realized. Preliminary volume estimates were for 91,593 CBOT contracts, moving slightly above Monday's final count of 87,206.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Sep 2019				
Dec 2019	R 4 486.00	11%	R -55.86	R 4 430.14
Mar 2020	R 4 588.00	9.5%		R 4 588.00
May 2020	R 4 670.00	0%		R 4 670.00
Jul 2020	R 4 728.00	0%		R 4 728.00
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 R14.00 lower. The parity move for the Dec'19 Wheat contract for yesterday was R60.00 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	942.00	934.00	0.75	-8.00	937.50	3.50
JAN 2010	956.00	948.25	1.50	-7.75	951.50	3.25
MAR 2010	968.00	959.75	0.75	-8.25	963.50	3.75
MAY 2010	976.00	968.50	1.00	-7.50	972.00	3.50
JUL 2010	984.00	976.75	1.25	-7.25	980.00	3.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2019	306.9	308.00
JAN 2010	309.4	310.50
MAR 2010	313.4	314.50
MAY 2010	316.8	318.00
JUL 2010	320.3	321.50

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2019	30.85	30.98
JAN 2010	31.08	31.19
MAR 2010	31.31	31.42
MAY 2010	31.59	31.70
JUL 2010	31.88	31.98



FarmFutures - Soybean prices followed the same general pattern as corn today – starting off strong, fading as the session progressed but still closing with small gains. November futures added 0.75 cents to \$9.34, with January futures up 1.5 cents to \$9.4825. Soybean basis bids were mixed but mostly higher Tuesday, rising 2 to 10 cents higher across a handful of Midwestern locations today. An Illinois processor bucked the trend, falling 5 cents, however. China has offered tariff-free quotas to several state and private soybean crushers in the amount of 367 million bushels, infusing some fresh optimism into ongoing U.S.-China trade negotiations. Buyers are reportedly looking to book cargoes for late 2019 and/or early 2020. Soybean harvest showed some momentum this past week, with a fifth of the crop getting combined. That places total progress at 46%, putting this year's pace close to 2018's 51% but still moderately behind the five-year average of 64%. Ninety-four percent of the crop is dropping leaves, versus last year's pace of 98% and the five-year average of 97%. From a quality standpoint, soybeans held their ground this past week, with 54% of the crop still in good-to-excellent condition. Another 32% of the crop is rated fair, with the remaining 14% rated poor or very poor – all unchanged from a week ago.

Preliminary volume estimates were for 326,902 contracts, firming 42% above Monday's final count of 229,458.

South African Futures Exchange

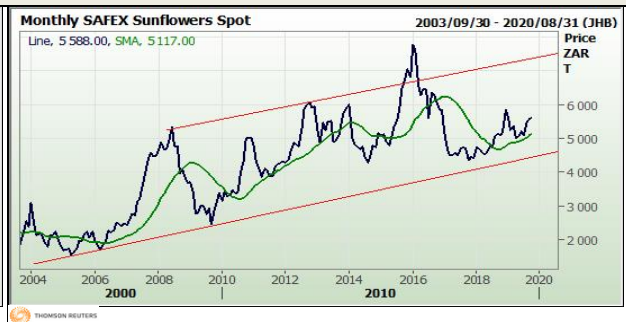
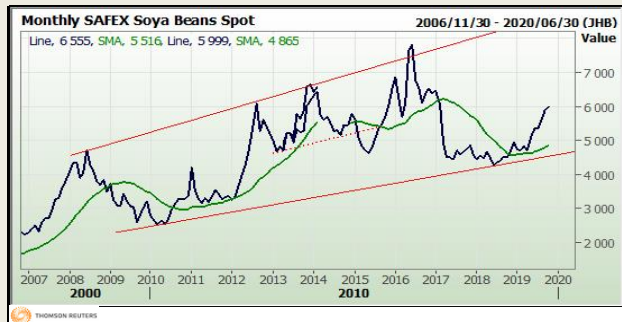
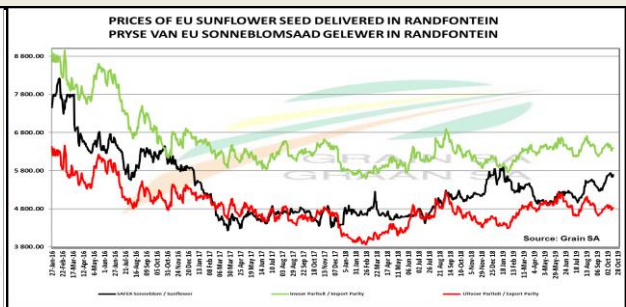
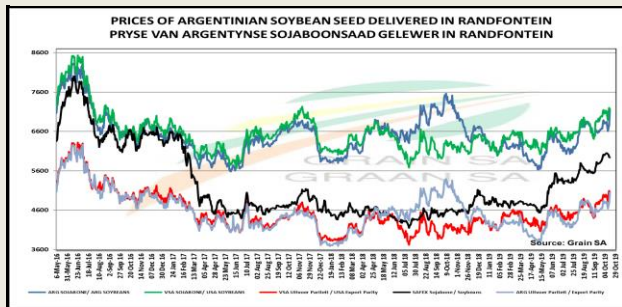
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 6 001.00	14%		R 6 001.00
Mar 2020	R 5 979.00	0%		R 5 979.00
May 2020	R 5 861.00	17%		R 5 861.00
Jul 2020	R 5 935.00	20.5%		R 5 935.00
Sep 2020	R 5 958.00	0%		R 5 958.00
Dec 2020				

Sunflower Seeds Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 5 665.00	16%		R 5 665.00
Mar 2020	R 5 690.00	0%		R 5 690.00
May 2020	R 5 378.00	13.5%		R 5 378.00
Jul 2020	R 5 391.00	0%		R 5 391.00
Sep 2020				
Dec 2020	R 5 575.00	0%		R 5 575.00



The local Soya market traded mixed yesterday. The Dec'19 Soya contract ended R4.00 down while Mar'20 Soya closed R2.00 higher. The parity move for the Dec'19 Soya contract for yesterday was R46.00 negative.

The local Suns market closed mixed yesterday. The Dec'19 Suns contract closed R5.00 down while Mar'20 Suns closed R8.00 higher.



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