



Fundamental Report
28 October 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.6527	14.6079	-0.0448	-0.31%
Euro/Rand	16.2842	16.1908	-0.0934	-0.57%
GBPound/Rand	18.8078	18.7190	-0.0888	-0.47%
AusDollar/Rand	9.9975	9.9553	-0.0422	-0.42%
Euro/USDollar	1.1114	1.1084	-0.0030	-0.27%
GBPound/USDollar	1.2836	1.2818	-0.0018	-0.14%
AusDollar/USDollar	0.6823	0.6815	-0.0008	-0.12%
JpyYen/USDollar	108.6300	108.7400	0.1100	0.10%

BDLive - The JSE closed lower on Friday as investors sit on their hands ahead of a busy week of key events.

Brexit remains in focus for most international investors, with UK Prime Minister Boris Johnson having called for a general election on December 12.

Johnson has secured a deal with Brussels on the nitty gritty of Brexit, but the EU is still to decide on whether it will grant Britain an extension on the October 31 deadline. The general election also has yet to be approved by parliament.

International markets were mixed, with most a little higher on optimism that the US and China will soon finally reach a deal in an attempt to end their 15-month trade war, which has had a deleterious effect on the global economy.



Commodities

	Last	Value Change	% Change
Platinum	925.89	-0.37	-0.04%
Gold	1505.08	0.75	0.05%
Silver	18.05	0.03	0.15%
Copper	2.68	0.00	0.07%
Gasoil	597.25	-0.50	-0.08%
Brent Oil	61.87	-0.15	-0.24%

BDLive - Gold rose to a two-week high on Friday, holding above the \$1,500/oz psychological level, as weak US economic data spurred expectations for another interest rate cut by the Federal Reserve later in October, while palladium scaled a fresh peak.

Spot gold hit its highest since October 10 at \$1,504.35/oz, but was down slightly by 3.12am GMT, at \$1,501.70/oz. The metal has gained 0.8% this week, heading for its biggest weekly gain since the week ended August 20. US gold futures were flat at \$1,505/oz.

This is the second time in the past two weeks that spot gold has crossed the \$1,500/oz level. The metal breached the ceiling for the first time in more than six years on August 7 and hit a record high of \$1,557/oz on September 4.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	48858.47	0.00	0.00%
ALSI	49073.00	0.00	0.00%
S&P 500	3010.29	12.26	0.41%
FTSE	7328.25	-3.78	-0.05%
CAC	5722.15	0.00	0.00%
DAX	12894.51	0.00	0.00%
Hang Seng	26667.39	257.74	0.97%



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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	387.00	386.75	0.00	-0.25	385.25	-1.50	-1.75
MAR 2010	398.00	397.50	-0.50	-0.50	396.25	-1.25	-1.75
MAY 2010	404.00	404.00	-0.50	0.00	402.75	-1.25	-1.25
JUL 2010	410.00	409.75	-0.50	-0.25	408.50	-1.25	-1.50
SEP 2010	404.00	403.50	-0.25	-0.50	402.50	-1.00	-1.50

FarmFutures - Corn prices tested small gains late Friday morning but sputtered by the close. December futures held steady at \$3.8675, with March futures slipping half a penny lower to \$3.9750. December futures declined for a second straight week, losing another 1.1% since Monday's open.

Commodity funds increased their net short position for corn by another 14,409 contracts to reach 132,924 for the week ending October 22.

Corn basis bids were steady to mixed Friday, tumbling as much as 10 cents at a low river terminal but firming by 2 cents at an Ohio elevator today.

France's corn harvest remains sluggish this fall, reaching 46% as of October 21, per the FranceAgriMer consultancy. Compare that to 2018's pace of 91%. Rainfall has slowed fieldwork in recent days.

Will there be enough disruptive fall weather to affect seasonal fertilizer applications? And if so, what are the implications for price trends moving forward? Farm Futures senior grain market analyst digs into the details in his latest Fertilizer Outlook column.

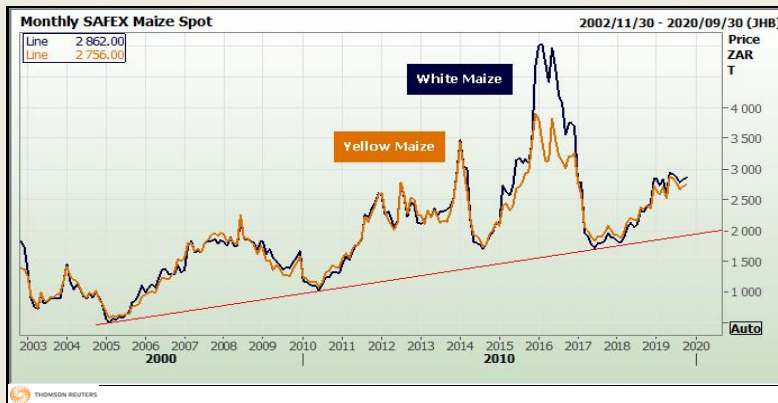
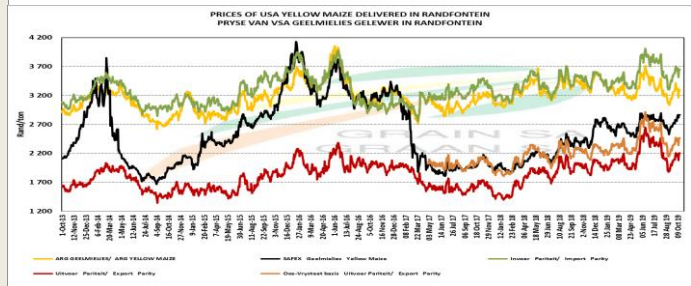
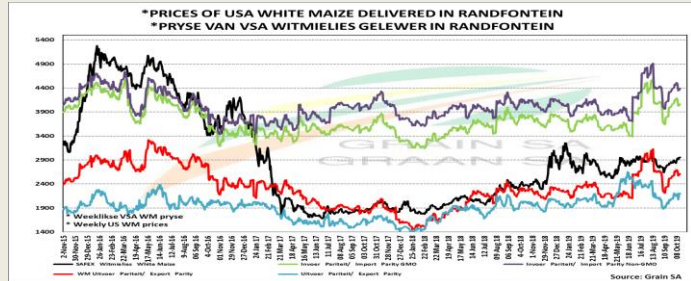
Preliminary volume estimates were for 197,468 contracts, sliding slightly below Thursday's final count of 205,707.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Sep 2019				
Dec 2019	R 2 882.00	28%	R -16.89	R 2 865.11
Mar 2020	R 2 905.00	33.25%		R 2 905.00
May 2020	R 2 764.00	0%		R 2 764.00
Jul 2020	R 2 777.00	32.5%		R 2 777.00
Sep 2020	R 2 824.00	0%		R 2 824.00
Dec 2020	R 2 903.00	29%		R 2 903.00
Yellow Maize Future				
Sep 2019				
Dec 2019	R 2 767.00	23%	R -16.89	R 2 750.11
Mar 2020	R 2 767.00	21.5%		R 2 767.00
May 2020	R 2 660.00	0%		R 2 660.00
Jul 2020	R 2 652.00	20%		R 2 652.00
Sep 2020	R 2 716.00	0%		R 2 716.00
Dec 2020	R 2 795.00	0%		R 2 795.00

The local Maize market traded higher yesterday. The Dec'19 WMAZ contract ended R18.00 up while Dec'19 YMAZ closed R2.00 lower. The Mar'20 WMAZ closed higher by R11.00 while Mar'20 YMAZ ended R8.00 down. The parity move for the Dec'19 Maize contract for yesterday was R15.00 negative.

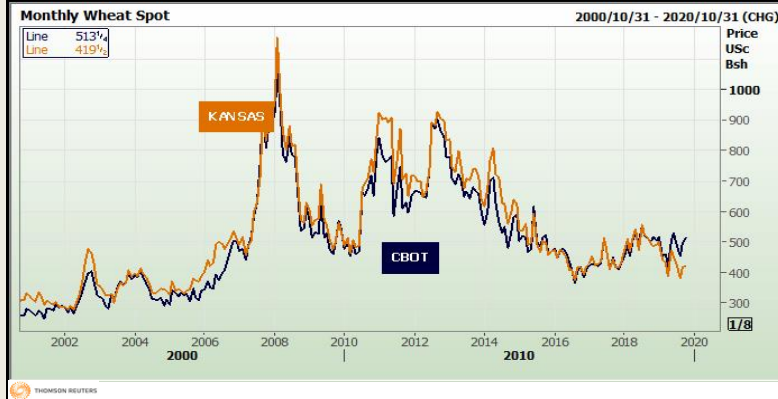


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Wheat Market

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	517.00	517.75	1.75	0.75	513.25	-4.50	-3.75	DEC 2019	420.00	422.75	3.25	2.75	419.50	-3.25	-0.50
MAR 2010	522.00	523.50	2.25	1.50	519.25	-4.25	-2.75	MAR 2010	433.00	435.75	3.00	2.75	432.75	-3.00	-0.25
MAY 2010	527.00	528.75	2.50	1.75	525.25	-3.50	-1.75	MAY 2010	442.00	444.75	3.00	2.75	441.75	-3.00	-0.25
JUL 2010	530.00	532.50	2.25	2.50	528.25	-4.25	-1.75	JUL 2010	451.00	453.25	3.00	2.25	450.75	-2.50	-0.25
SEP 2010	537.00	539.50	2.25	2.50	536.75	-2.75	-0.25	SEP 2010	461.00	463.00	3.25	2.00	461.75	-1.25	0.75



FarmFutures - Wheat prices were mixed Friday on a round of uneven technical maneuvering, as winter wheat contracts held on to small gains while spring wheat contracts faced moderate cuts. December Chicago SRW futures picked up 1.75 cents to \$5.1775, December Kansas City HRW futures added 2 cents to \$4.2150, and December MGEX spring wheat futures dropped 3.25 cents to \$5.37.

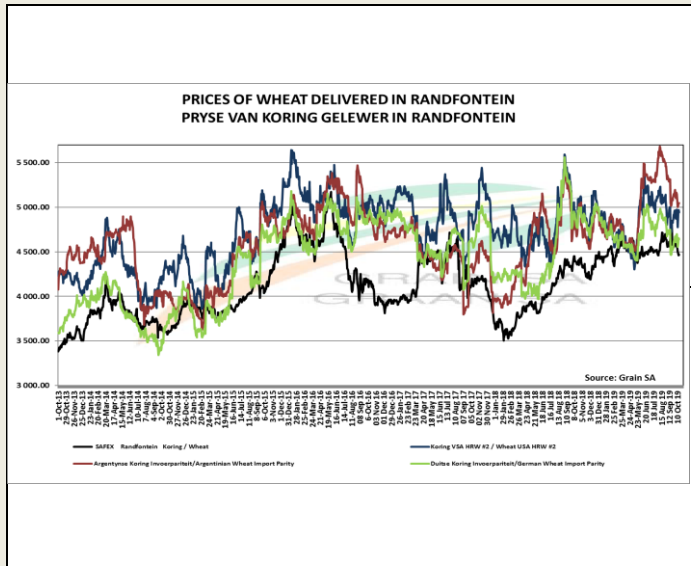
Commodity funds slashed their net short position for CBOT wheat by 20,335 contracts to 12,291 for the week ending October 22. France's 2019/20 soft wheat crop is 29% planted as of October 21, which is up from 21% a week ago but moderately behind 2018's pace of 50%. Winter barley plantings are up to 50%, also behind last year's pace of 61%. The Philippines purchased 6.1 million bushels of feed wheat, likely sourced from Australia, in a tender that closed earlier today. The grain is for shipment between December and February.

The United Nations has purchased a modest amount (around 551,000 bushels) of wheat, likely from Romania, which will be shipped to East Africa for humanitarian aid.

Preliminary volume estimates were for 62,760 CBOT contracts, moving slightly ahead of Thursday's final count of 55,212.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Sep 2019				
Dec 2019	R 4 461.00	11%	R -28.64	R 4 432.36
Mar 2020	R 4 551.00	9.5%		R 4 551.00
May 2020	R 4 623.00	0%		R 4 623.00
Jul 2020	R 4 674.00	0%		R 4 674.00
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 higher yesterday. The Dec'19 Weat contract closed R7.00 up and Mar'20 Weat closed R4.00 higher. The parity move for the Dec'19 Weat contract for yesterday was R28.00 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	Overnight Change from 12pm
NOV 2019	933.00	920.25	-13.00	-12.75	921.75	1.50	-11.25
JAN 2010	947.00	934.50	-12.50	-12.50	936.00	1.50	-11.00
MAR 2010	959.00	946.75	-11.75	-12.25	948.00	1.25	-11.00
MAY 2010	969.00	957.50	-10.75	-11.50	958.75	1.25	-10.25
JUL 2010	978.00	967.00	-9.75	-11.00	968.75	1.75	-9.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2019	303.3	303.50
JAN 2010	305.6	305.60
MAR 2010	309.4	309.60
MAY 2010	313	312.80
JUL 2010	316.9	316.70

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2019	30.96	31.00
JAN 2010	31.18	31.21
MAR 2010	31.42	31.45
MAY 2010	31.69	31.69
JUL 2010	31.94	31.95



FarmFutures - Soybean prices tumbled double digits Friday as Chinese purchases dried up, and with lack of details surrounding ongoing U.S.-China trade negotiations, despite repeated promises they have been going well. November futures dropped 13 cents to \$9.2025, with January futures down 12.5 cents to \$9.3450. Commodity funds increased their net short position for soybeans by another 14,417 contracts to reach 35,718 for the week ending October 22. Soybean basis bids gained 9 cents at an Ohio elevator and picked up between 4 and 7 cents at multiple interior river terminals Friday while holding steady elsewhere across the central U.S. today. Amid high-level telephone discussions earlier today, the U.S. and China were said to be "close to finalizing" some of their Phase 1 trade negotiations. The U.S. Trade Representative office released a statement after the talks, saying there was "headway on specific issues" without offering additional details at this time. Deputy-level talks will move forward "continuously," according to the statement. China continues to struggle with African swine fever, reporting a new outbreak earlier this week in the southwestern province of Yunnan. Some estimates have the country's herd down as much as 40% or more. The overall situation continues to create pervasive concerns over the country's feed needs moving forward, which could affect soybean imports in particular. The Philippines purchased 4.4 million bushels of soybeans, likely from the U.S., in a tender that closed earlier today. The grain is for shipment between January and March.

South African Futures Exchange

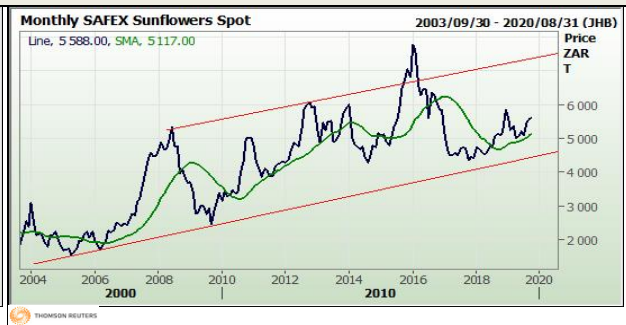
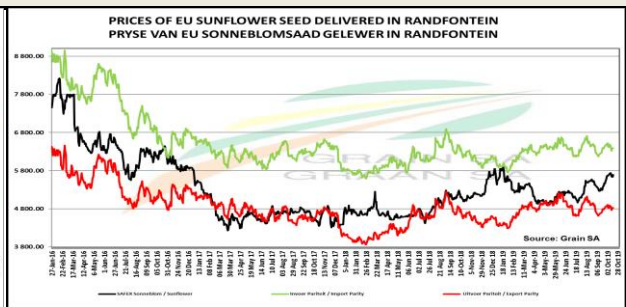
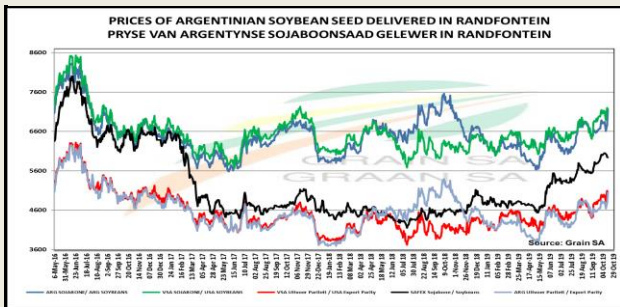
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 5 973.00	14%		R 5 973.00
Mar 2020	R 5 973.00	0%		R 5 973.00
May 2020	R 5 892.00	17%		R 5 892.00
Jul 2020	R 5 955.00	20.5%		R 5 955.00
Sep 2020	R 5 992.00	0%		R 5 992.00
Dec 2020				

Sunflower Seeds Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 5 662.00	16%		R 5 662.00
Mar 2020	R 5 684.00	0%		R 5 684.00
May 2020	R 5 560.00	13.5%		R 5 560.00
Jul 2020	R 5 538.00	0%		R 5 538.00
Sep 2020				
Dec 2020	R 5 613.00	0%		R 5 613.00



The local Soya market traded mixed yesterday. The Dec'19 Soya contract ended R40.00 down while Mar'20 Soya closed R13.00 higher. The parity move for the Dec'19 Soya contract for yesterday was R76.00 negative.

The local Suns market closed higher yesterday. The Dec'19 Suns contract closed R3.00 up and Mar'20 Suns closed R17.00 higher.



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