



**Fundamental Report**  
**04 October 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.1646	15.1127	-0.0519	-0.34%
Euro/Rand	16.5998	16.5893	-0.0105	-0.06%
GBPound/Rand	18.6255	18.6562	0.0307	0.16%
AusDollar/Rand	10.1830	10.2056	0.0226	0.22%
Euro/USDollar	1.0947	1.0975	0.0028	0.26%
GBPound/USDollar	1.2283	1.2344	0.0061	0.50%
AusDollar/USDollar	0.6715	0.6753	0.0038	0.57%
JpyYen/USDollar	107.1500	106.7700	-0.3800	-0.35%

BDLive - The JSE closed in negative territory on Thursday for a second consecutive day as investors worry about global economic growth, while markets await labour data from the US.

Markets will be watching US non-farm payrolls for September, which will be released on Friday. The data is considered an important indicator of the health of the US economy after poor manufacturing data earlier this week fueled concerns of an economic slowdown.

The US announced on Wednesday that it would impose 10% tariffs on European-made Airbus planes over illegal EU aircraft subsidies. This follows the World Trade Organisation's (WTO) approval for the US to impose duties on \$7.5bn worth of EU goods.

Shortly after the JSE closed, the Dow was flat at 26,093.43 points. In Europe, the FTSE 100 lost 0.89% and France's CAC 40 0.11% while Germany's DAX 30 was closed for German Unity Day. Earlier, Hong Kong's Hang Seng rose 0.37% while Japan's Nikkei 225 dropped 2.01%.



### Commodities

	Last	Value Change	% Change
Platinum	886.32	-3.93	-0.44%
Gold	1509.28	4.53	0.30%
Silver	17.61	0.06	0.33%
Copper	2.54	-0.02	-0.61%
Gasoil	574.25	8.00	1.39%
Brent Oil	57.93	0.22	0.38%

BDLive - Bengaluru — Gold prices rose on Thursday, having gained more than 1% in the previous session after the US announced tariffs on European goods, creating more uncertainty for the global economic outlook.

Spot gold rose 0.4% to \$1,504.70 an ounce, as of 11.39am GMT, while US gold futures were up 0.2% at \$1,510.70 an ounce.

The US said on Wednesday that it would slap tariffs on certain products from the EU after the World Trade Organisation (WTO) gave Washington the green light to impose tariffs on \$7.5bn worth of EU goods annually in a long-running trade case.

"Trump's tariffs against the EU create a certain amount of uncertainty and potential for economic failure," said SP Angel analyst John Meyer. Gold is considered a store of value during economic or political uncertainty.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	47743.89	0.00	0.00%
ALSI	48005.00	0.00	0.00%
S&P 500	2887.61	23.02	0.80%
FTSE	7122.54	-44.90	-0.63%
CAC	5438.77	0.00	0.00%
DAX	11925.25	0.00	0.00%
Hang Seng	26110.31	-144.21	-0.55%



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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	388.00	388.75	1.00	0.75	387.50	-1.25	-0.50
MAR 2010	400.00	400.75	1.00	0.75	399.50	-1.25	-0.50
MAY 2010	405.00	406.00	1.25	1.00	404.25	-1.75	-0.75
JUL 2010	407.00	408.50	1.25	1.50	407.25	-1.25	0.25
SEP 2010	401.00	402.00	0.25	1.00	401.50	-0.50	0.50

FarmFutures - Corn prices reversed lower Wednesday, losing more than 1% on a round of technical selling as short-term weather forecasts hint at a speedier harvest this week in many parts of the Corn Belt. December and March futures each fell 4.75 cents to close at \$3.8775 and \$3.9975, respectively.

Corn basis bids slipped 1 to 5 cents lower at several ethanol plants Wednesday but were otherwise steady across other Midwestern locations today. Ahead of tomorrow morning's weekly export report from USDA, analysts expect the agency to show corn sales ranging between 15.7 million and 31.5 million bushels for the week ending September 26.

Ethanol production for the week ending September 27 rebounded from the prior week's dismal total but still remains lackluster overall, with a daily average of 958,000 barrels. November futures were down nearly 2% this afternoon, to \$1.42, as the EPA plans to grant partial biofuel exemptions to multiple small refineries.

The Ag Economy Barometer from Purdue University / CME Group showed mixed results last month, with its index of current conditions falling slightly while its index of future expectations moved higher. Click here to learn more about what the latest survey revealed about farmer sentiments surrounding capital investments, farmland values and more.

USDA officials say they have paid out more than half of the promised \$28 billion in aid to farmers to compensate for the ongoing U.S.-China trade war. The agency has received more than 418,000 applications for the latest round of aid.

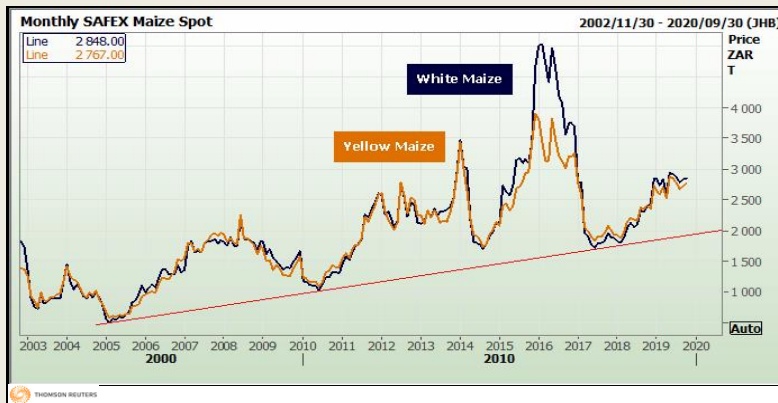
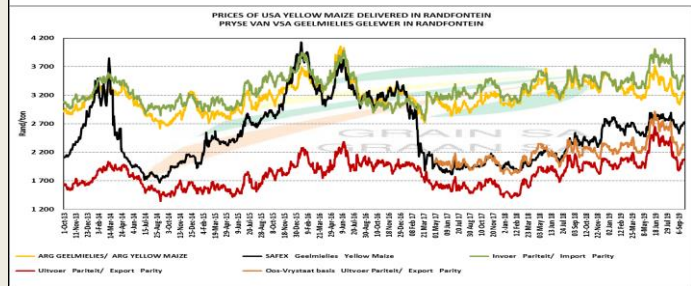
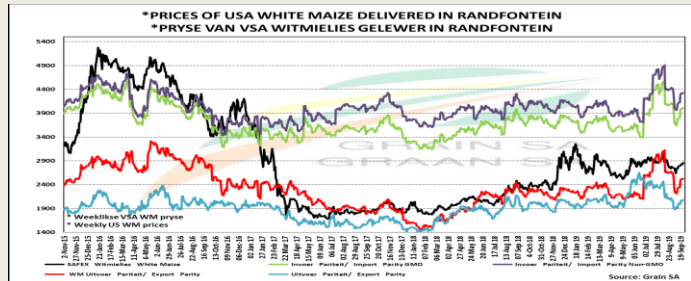
Preliminary volume estimates were for 239,992 contracts, falling about 27% below Tuesday's final count of 329,357.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Sep 2019				
Dec 2019	R 2 904.00	28.75%	R -10.90	R 2 893.10
Mar 2020	R 2 902.00	29%		R 2 902.00
May 2020	R 2 720.00	0%		R 2 720.00
Jul 2020	R 2 704.00	29%		R 2 704.00
Sep 2020	R 2 750.00	0%		R 2 750.00
Dec 2020	R 2 801.00	29%		R 2 801.00
<b>Yellow Maize Future</b>				
Sep 2019				
Dec 2019	R 2 812.00	21.5%	R -10.90	R 2 801.10
Mar 2020	R 2 781.00	21%		R 2 781.00
May 2020	R 2 658.00	0%		R 2 658.00
Jul 2020	R 2 665.00	19.5%		R 2 665.00
Sep 2020	R 2 720.00	0%		R 2 720.00
Dec 2020	R 2 782.00	0%		R 2 782.00

The local Maize market traded lower yesterday. The Dec'19 WMAZ contract ended R14.00 down and Dec'19 YMAZ closed R1.00 lower. The Mar'20 WMAZ closed lower by R12.00 and Mar'20 YMAZ ended R6.00 down. The parity move for the Dec'19 Maize contract for yesterday was R7.00 negative.

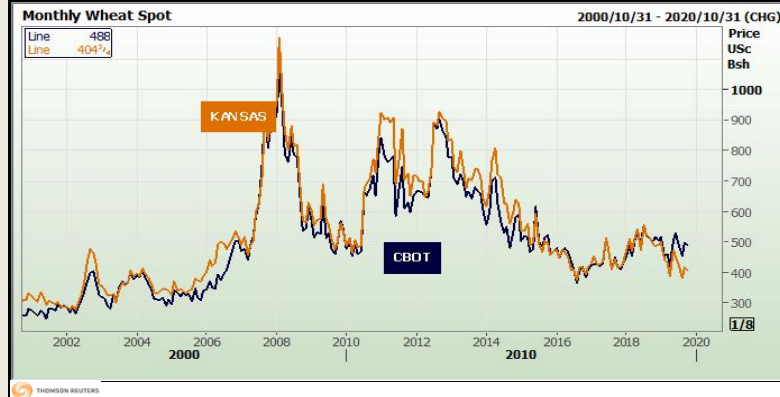


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## Wheat Market

### 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	490.00	488.75	-0.25	-1.25	488.00	-0.75	-2.00	DEC 2019	403.00	405.75	0.00	2.75	404.75	-1.00	1.75
MAR 2010	497.00	496.25	0.00	-0.75	495.25	-1.00	-1.75	MAR 2010	418.00	420.25	0.75	2.25	419.25	-1.00	1.25
MAY 2010	502.00	502.00	0.25	0.00	502.00	0.00	0.00	MAY 2010	427.00	430.00	1.25	3.00	428.00	-2.00	1.00
JUL 2010	507.00	506.25	0.25	-0.75	505.00	-1.25	-2.00	JUL 2010	437.00	439.50	1.50	2.50	437.50	-2.00	0.50
SEP 2010	514.00	514.00	0.00	0.00	513.50	-0.50	-0.50	SEP 2010	449.00	450.75	1.00	1.75	0.00	-450.75	-449.00



FarmFutures - Wheat prices stayed in the red Wednesday on a round of technical selling. The usual concerns over large domestic supplies and lackluster exports were once again in play. December Chicago SRW futures lost 9.75 cents to \$4.89, December Kansas City HRW futures fell 7.5 cents to \$4.04, and December MGEX spring wheat futures dropped 3.5 cents to \$5.2775.

Ahead of Thursday morning's USDA export report, analysts expect the agency to show wheat sales ranging between 7.3 million and 22.0 million bushels for the week ending September 26, likely to eclipse the prior week's tally of 10.4 million bushels.

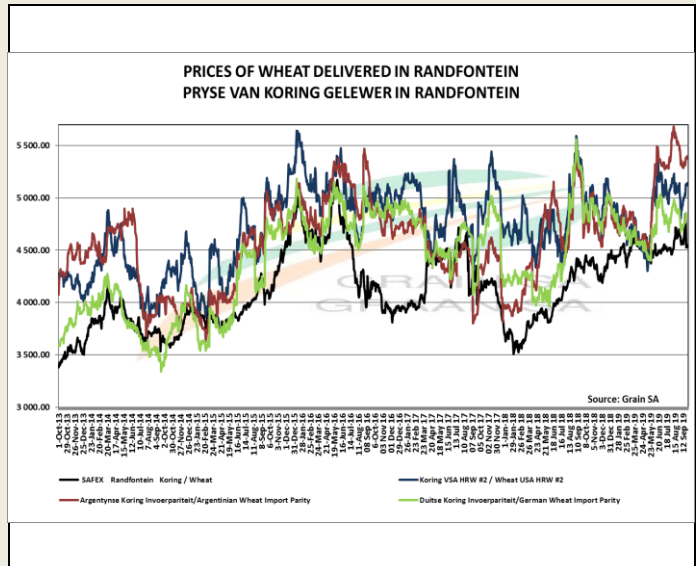
South Korea purchased 2.8 million bushels of milling wheat, likely from the U.S., in tenders that closed earlier today. The grain will be for shipment between January and March. Egypt purchased 2.2 million bushels of wheat from France in a tender that closed earlier this week. The grain is for shipment in November.

Recent estimates put Australia's drought-stressed 2019/20 wheat crop at between 672 million and 698 million bushels, which would be the lowest production in a decade, if realized. Not much additional rainfall is expected through at least the next two weeks.

Preliminary volume estimates were for 85,625 CBOT contracts, slipping just below Tuesday's final count of 90,605.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Sep 2019				
Dec 2019	R 4 614.00	11%	R -20.45	R 4 593.55
Mar 2020	R 4 720.00	9.5%		R 4 720.00
May 2020	R 4 753.00	0%		R 4 753.00
Jul 2020	R 4 761.00	0%		R 4 761.00
Sep 2020				
Dec 2020				
<b>Cape Wheat</b>				
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 R6.00 up and Mar'20 Weat closed R3.00 higher. The parity move for the Dec'19 Weat contract for yesterday was R15.00 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	913.00	911.75	-2.00	-1.25	911.25	-0.50	-1.75
JAN 2010	928.00	926.00	-1.75	-2.00	925.50	-0.50	-2.50
MAR 2010	938.00	936.50	-2.00	-1.50	936.00	-0.50	-2.00
MAY 2010	948.00	946.25	-2.00	-1.75	945.50	-0.75	-2.50
JUL 2010	956.00	954.75	-1.75	-1.25	954.25	-0.50	-1.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
OCT 2019	298	0.00
DEC 2019	302.9	303.00
JAN 2010	304.8	305.00
MAR 2010	308.1	308.10
MAY 2010	311.8	311.90

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
OCT 2019	29.8	29.68
DEC 2019	29.89	29.85
JAN 2010	30.11	30.06
MAR 2010	30.37	30.32
MAY 2010	30.65	30.63



FarmFutures - Soybean prices moved moderately lower Wednesday on some technical selling that handed back a portion of gains gathered earlier in the week. A large sale to China and bullish expectations for USDA's next export report (out first thing tomorrow morning) kept losses in check, however. November futures fell 5.75 cents to \$9.1375, with January futures down 4.75 cents to \$9.2775. Soybean basis bids were mixed but mostly higher Wednesday, rising 2 to 6 cents across multiple Midwestern processors and interior river terminals but dropping 5 cents at an Iowa processor today. Private exporters reported to USDA the sale of 17.0 million bushels of soybeans for delivery to China during the 2019/20 marketing year, which began September 1.

Ahead of tomorrow morning's weekly export report from USDA, analysts expect the agency to show soybean sales ranging between 33.1 million and 51.4 million bushels for the week ending September 26 - likely surpassing the prior week's tally of 38.1 million bushels. Analysts also expect USDA to report another 50,000 to 350,000 metric tons of soybean sales last week, plus another 5,000 to 40,000 MT of soybean sales. With USDA reporting lower-than-expected soybean stocks earlier this month, some focus has returned to yield potential for this year's embattled U.S. crop. Is there room for a rally? Find out what factors are currently in play in the latest Soybean Outlook column from Farm Futures senior grain market analyst Bryce Knorr.

Preliminary volume estimates were for 206,702 contracts, sliding 36% below Tuesday's final count of 322,212.

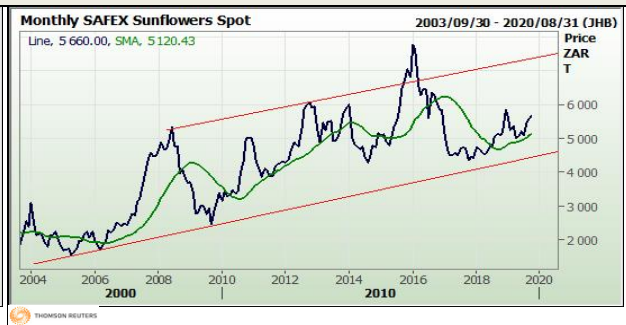
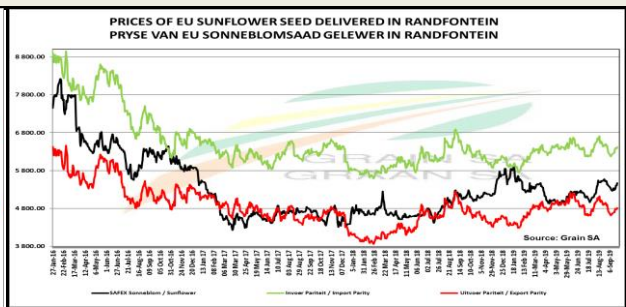
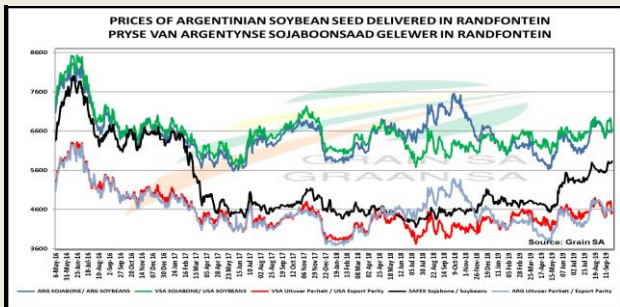
### South African Futures Exchange

Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 6 017.00	14%		R 6 017.00
Mar 2020	R 5 957.00	0%		R 5 957.00
May 2020	R 5 800.00	17%		R 5 800.00
Jul 2020	R 5 820.00	20.5%		R 5 820.00
Sep 2020	R 5 861.00	0%		R 5 861.00
Dec 2020				

Sunflower Seeds Future				
	MTM	Vols		
Sep 2019				
Dec 2019	R 5 795.00	16%		R 5 795.00
Mar 2020	R 5 814.00	0%		R 5 814.00
May 2020	R 5 320.00	13.5%		R 5 320.00
Jul 2020	R 5 448.00	0%		R 5 448.00
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 R45.00 lower. The parity move for the Dec'19 Soya contract for yesterday was R23.00 negative.

The local Suns market closed lower yesterday. The Dec'19 Suns contract closed R22.00 down and Mar'20 Suns closed R17.00 lower.



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