



Fundamental Report
07 October 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.1622	15.0635	-0.0987	-0.65%
Euro/Rand	16.6432	16.5478	-0.0954	-0.57%
GBPound/Rand	18.7093	18.5696	-0.1397	-0.75%
AusDollar/Rand	10.2405	10.1618	-0.0787	-0.77%
Euro/USDollar	1.0978	1.0978	0.0000	0.00%
GBPound/USDollar	1.2341	1.2322	-0.0019	-0.15%
AusDollar/USDollar	0.6754	0.6746	-0.0008	-0.12%
JpyYen/USDollar	106.7400	106.8200	0.0800	0.07%

BDLive - The JSE suffered its third consecutive weekly drop on Friday, as fears about the state of the global economy weighed on investor sentiment following the release of more poor economic data.

US non-farm payrolls for September came in lower than expected on Friday. The data is considered an important indicator of the health of the world's largest economy. Non-farm payrolls increased by 136,000 from 165,000 in the previous month but below expectations of 145,000 according to Trading Economics. The latest figure and poor manufacturing data released this week have further supported expectations that the US Federal Reserve may cut interest rates at their last two meetings for 2019.

"[US Federal Reserve chair Jerome] Powell may choose to wait to see what happens with next week's high-level trade talks before committing to more easing. The narrative is not as clear as he may have preferred: the trend in job growth is clearly in deceleration mode and wage growth is at its lowest level in a year, but the unemployment rate just hit a fresh 50-year low," said Oanda senior market analyst Edward Moya.



Commodities

	Last	Value Change	% Change
Platinum	880.25	3.75	0.43%
Gold	1506.48	2.13	0.14%
Silver	17.55	0.00	0.00%
Copper	2.57	0.00	0.16%
Gasoil	577.50	-2.25	-0.39%
Brent Oil	58.11	-0.26	-0.45%

BDLive - Gold prices rose for a fourth straight session on Friday as weak US economic data fanned fears over sluggish growth, with investors awaiting a key jobs report that could cement expectations for further rate cuts by the Federal Reserve. Spot gold was up 0.3% to \$1,508.90/oz as of 3.39am GMT. It climbed to \$1,518.50/oz, its highest since September 25, in the previous session. US gold futures were flat at \$1,515.10/oz.

ANZ analyst Daniel Hynes said the disappointing economic indicators from the US in the past couple of days were supporting safe-haven buying. "If we see weaker than expected nonfarm payroll data as well, that will support gold prices and the momentum will be pretty strong provided it is backed up by Fed's dovishness," he added.

US services sector activity slowed to a three-year low in September amid rising concerns about tariffs, a survey showed on Thursday, after a string of poor economic data earlier this week.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	47975.44	0.00	0.00%
ALSI	48190.00	0.00	0.00%
S&P 500	2910.63	41.38	1.42%
FTSE	7077.64	77.74	1.10%
CAC	5488.32	0.00	0.00%
DAX	12012.81	0.00	0.00%
Hang Seng	26110.31	-289.28	-1.11%



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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	384.75	-4.00	-3.25	387.25	2.50	-0.75
MAR 2010	399.00	397.00	-3.75	-2.00	399.25	2.25	0.25
MAY 2010	405.00	402.50	-3.50	-2.50	404.75	2.25	-0.25
JUL 2010	408.00	405.75	-2.75	-2.25	408.00	2.25	0.00
SEP 2010	401.00	400.50	-1.50	-0.50	402.25	1.75	1.25

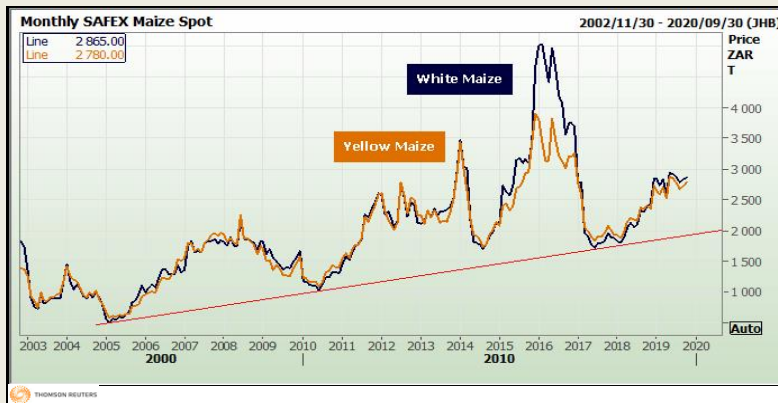
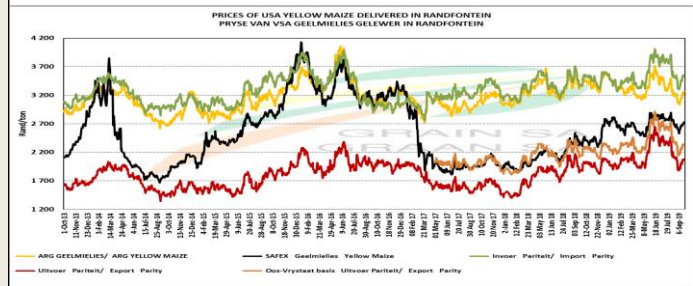
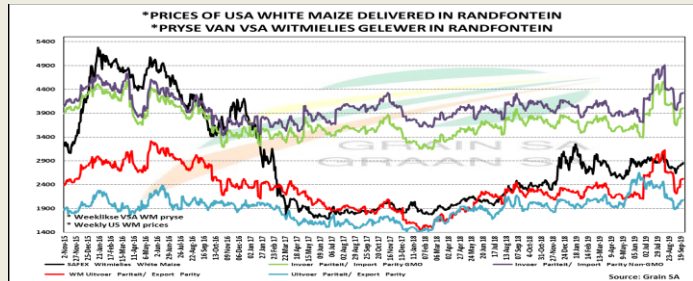
FarmFutures - Corn prices spilled nearly 1% lower Friday on some technical selling and profit-taking, as December futures dropped 4 cents to \$3.8475 and March futures lost 3.75 cents to \$3.97. But prices still found plenty of positive traction this week, with December futures up about 3.5% since Monday's open. Corn basis bids were steady across most Midwestern locations Friday but did move two cents higher at an Iowa processor and 10 cents higher at a Nebraska elevator today. As traders begin squaring positions ahead of next week's monthly World Agricultural Supply and Demand Estimates (WASDE) report from USDA, a survey of up to 31 analysts expect the agency to trim its corn yield estimates to 166.7 bushels per acre, for a total production of 13.588 billion bushels. IEG Vantage has lowered its corn yield estimates from a month ago by 2.1 bushels per acre, landing at 167.5 bpa. The group also lowered its corn production estimates from 13.906 billion bushels in September down to 13.695 billion bushels. "The president listened to all points of view and delivered" on a fair biofuels plan, according to Iowa Senator Chuck Grassley. His statement came on the heels of an EPA announcement Friday morning that the agency would work to remove barriers to E15 fuel and ensuring that "more than 15 billion gallons of conventional ethanol be blended into the nation's fuel supply" starting next year. Click here to learn more about the latest plans. In Ukraine, corn harvest is 15% complete, with yields trending 2.6% above 2018, according to UAgroConsult. Just like the U.S., France is off to a slow corn harvest so far this fall, reaching 6% completion by September 30, versus 42% the same time a year ago. And only 1% of the country's 2019/20 soft wheat crop has been planted as wet weather continues to hamper fieldwork. Russia's corn export estimates for October remain seasonally low, at 7.9 million bushels Preliminary volume estimates were for 170,435 contracts, down 11% from Thursday's final count of 191,897. 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
White Maize Future				
Sep 2019				
Dec 2019	R 2 917.00	27.75%	R -19.52	R 2 897.48
Mar 2020	R 2 913.00	29%		R 2 913.00
May 2020	R 2 720.00	0%		R 2 720.00
Jul 2020	R 2 726.00	29.5%		R 2 726.00
Sep 2020	R 2 758.00	0%		R 2 758.00
Dec 2020	R 2 814.00	29%		R 2 814.00
Yellow Maize Future				
Sep 2019				
Dec 2019	R 2 821.00	21.5%	R -19.52	R 2 801.48
Mar 2020	R 2 788.00	21%		R 2 788.00
May 2020	R 2 658.00	0%		R 2 658.00
Jul 2020	R 2 682.00	19.5%		R 2 682.00
Sep 2020	R 2 720.00	0%		R 2 720.00
Dec 2020	R 2 783.00	0%		R 2 783.00

The local Maize market traded higher yesterday. The Dec'19 WMAZ contract ended R13.00 up and Dec'19 YMAZ closed R9.00 higher. The Mar'20 WMAZ closed higher by R11.00 and Mar'20 YMAZ ended R7.00 up. The parity move for the Dec'19 Maize contract for yesterday was R19.00 negative.

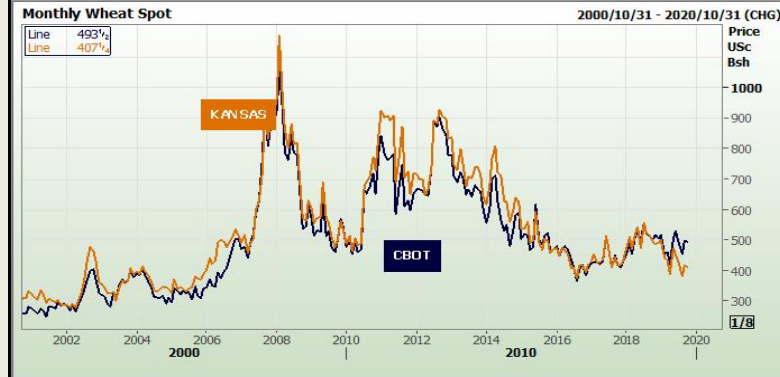


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Wheat Market

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	488.00	490.50	1.75	2.50	493.50	3.00	5.50	DEC 2019	405.00	404.00	-1.75	-1.00	407.25	3.25	2.25
MAR 2010	495.00	497.50	1.25	2.50	500.00	2.50	5.00	MAR 2010	420.00	418.50	-1.75	-1.50	421.25	2.75	1.25
MAY 2010	503.00	502.75	0.75	-0.25	505.25	2.50	2.25	MAY 2010	429.00	428.25	-1.75	-0.75	431.00	2.75	2.00
JUL 2010	505.00	507.00	0.75	2.00	508.75	1.75	3.75	JUL 2010	438.00	437.75	-1.75	-0.25	440.25	2.50	2.25
SEP 2010	514.00	515.00	1.00	1.00	517.75	2.75	3.75	SEP 2010	448.75	449.00	-1.75	0.25	450.75	1.75	2.00



FarmFutures - Wheat prices gained a bit of momentum Friday on some short-covering. Spring wheat futures saw the most upside on some bargain buying. December Chicago SRW futures picked up 1.75 cents to \$4.9050, December Kansas City HRW futures held steady at \$4.0575, and December MGEX spring wheat futures gained 6.5 cents to \$5.3550.

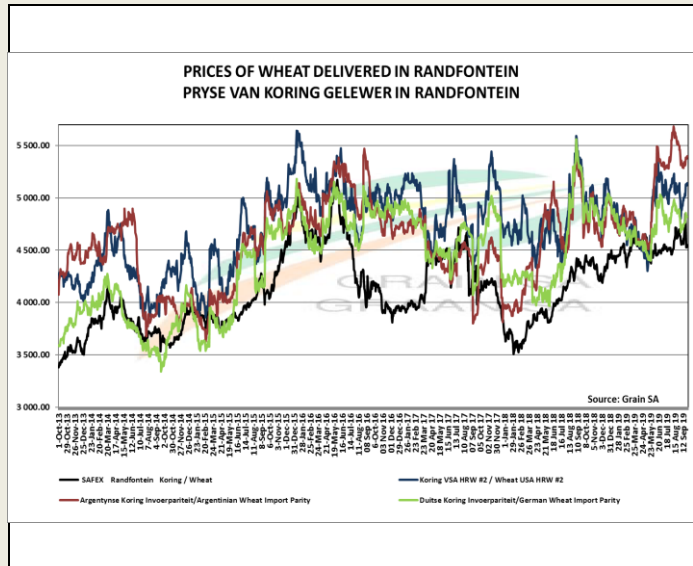
Russia's wheat export estimates for October are for 136 million bushels, which will be the lowest monthly tally since July, if realized.

South Korea purchased 2.2 million bushels of feed wheat from optional origins (likely from the Black Sea region) in a private deal earlier this week. The grain is for arrival in late January.

Preliminary volume estimates were for 44,879 CBOT contracts, down slightly from Thursday's final count of 48,479.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Sep 2019				
Dec 2019	R 4 615.00	11%	R 12.74	R 4 627.74
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 4 763.00	0%		R 4 763.00
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 mixed yesterday. The Dec'19 Weat contract closed R1.00 up while Mar'20 Weat closed unchanged. The parity move for the Dec'19 Weat contract for yesterday was R15.00 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 Main Session
NOV 2019	911.00	916.25	4.50	5.25	918.00	1.75
JAN 2010	925.00	930.25	4.25	5.25	931.50	1.25
MAR 2010	936.00	940.75	4.25	4.75	942.00	1.25
MAY 2010	945.00	950.00	3.75	5.00	951.75	1.75
JUL 2010	954.00	958.25	3.50	4.25	959.50	1.25

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
OCT 2019	298.8	0.00
DEC 2019	303.7	304.00
JAN 2010	305.7	306.10
MAR 2010	308.9	309.30
MAY 2010	312.7	312.90

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
OCT 2019	29.79	0.00
DEC 2019	29.86	29.92
JAN 2010	30.09	30.12
MAR 2010	30.36	30.41
MAY 2010	30.66	30.69



FarmFutures - Soybean prices firmed Friday on some concerns over yields as the embattled 2019 crop season draws to a close. November futures added 4.5 cents to \$9.1625, with January futures up 4.25 cents to \$9.3025. For the week, November futures trended 3.5% higher. Soybean basis bids dropped 6 to 9 cents at two interior river terminals Friday but held steady at most other Midwestern locations today. Ahead of next week's October WASDE report from USDA, a group of analysts is estimating the agency will show average soybean yields slipping nearly a bushel to 47.0 bpa, with total production potential also down to 3.563 billion bushels.

IEG Vantage lowered its soybean yield estimates from 48.4 bushels per acre in September down to 46.5 bpa. That leaves soybean production falling from a projected 3.671 billion bushels down to 3.513 billion bushels.

Two big unknowns, other than U.S. production, also could affect prices over the next month. Find out what factors Farm Futures senior grain market analyst Bryce Knorr has been tracking in his latest Soybean Outlook column.

In Argentina, USDA anticipates the country's 2019/20 soybean production will top 1.947 billion bushels. Total acres are expected to increase fractionally this year. USDA expects Brazil's soybean production to reach 4.538 billion bushels, meantime. Preliminary volume estimates were for 138,263 contracts, falling moderately below Thursday's final count of 193,789.

South African Futures Exchange

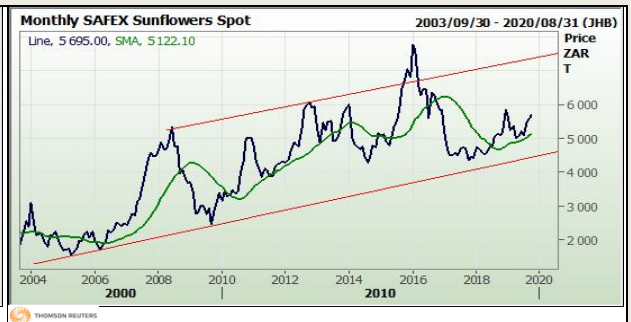
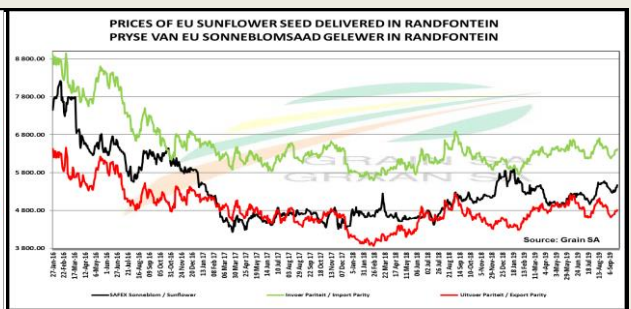
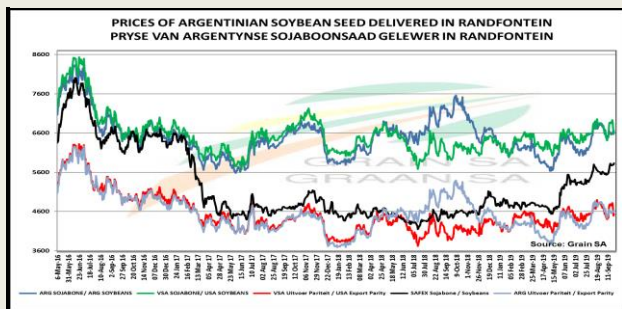
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 6 037.00	14%		R 6 037.00
Mar 2020	R 5 995.00	0%		R 5 995.00
May 2020	R 5 706.00	17%		R 5 706.00
Jul 2020	R 5 800.00	20.5%		R 5 800.00
Sep 2020	R 5 861.00	0%		R 5 861.00
Dec 2020				

Sunflower Seeds Future				
	MTM	Vols		
Sep 2019				
Dec 2019	R 5 818.00	16%		R 5 818.00
Mar 2020	R 5 830.00	0%		R 5 830.00
May 2020	R 5 321.00	13.5%		R 5 321.00
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 higher yesterday. The Dec'19 Soya contract ended R20.00 up and Mar'20 Soya closed R38.00 higher. The parity move for the Dec'19 Soya contract for yesterday was R10.00 positive.

The local Suns market closed higher yesterday. The Dec'19 Suns contract closed R23.00 up and Mar'20 Suns closed R16.00 higher.



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