



Fundamental Report
09 October 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.1391	15.2516	0.1125	0.74%
Euro/Rand	16.6142	16.7215	0.1073	0.65%
GBPound/Rand	18.6272	18.6215	-0.0057	-0.03%
AusDollar/Rand	10.2007	10.2781	0.0774	0.76%
Euro/USDollar	1.0975	1.0964	-0.0011	-0.10%
GBPound/USDollar	1.2307	1.2214	-0.0093	-0.76%
AusDollar/USDollar	0.6738	0.6739	0.0001	0.01%
JpyYen/USDollar	106.7700	107.1500	0.3800	0.36%

BDLive - The JSE closed lower on Tuesday, with investors moving to safe havens as hope that the US and China will have successful trade talks this week faded.

Global equities were under pressure on Tuesday after reports that the US is going ahead with discussions to possibly restrict capital flows to China, mainly investments made by US government pension funds, Bloomberg reported on Tuesday. This follows a move by the Trump administration on Monday to blacklist several Chinese tech companies over the country's treatment of predominately Muslim ethnic minorities.

"The move from the US is symbolic in two ways: it's a response to China reportedly trying to shrink the areas covered by a trade deal; and a reminder that technological security and intellectual property are top of the US agenda. At this stage, it feels like we are just taking solace in the talks even taking place despite the clear differences on the two sides," said London Capital Group head of research Jasper Lawler.



Commodities

	Last	Value Change	% Change
Platinum	887.23	-2.52	-0.28%
Gold	1505.28	0.02	0.00%
Silver	17.75	0.04	0.24%
Copper	2.57	0.00	0.10%
Gasoil	579.75	1.00	0.17%
Brent Oil	58.11	-0.13	-0.22%

BDLive - Bengaluru — Gold prices slipped to a near one-week low on Tuesday, declining for a third straight session, weighed down by a firmer dollar ahead of upcoming trade talks between China and the US. Spot gold eased 0.2% to \$1,491.05 an ounce as of 4.44am GMT. Prices had dropped 1% in the previous session.

US gold futures fell 0.5% to \$1,496.40 an ounce. "One of the key factors to the gold market is the outlook for global growth, and with trade developments between US and China, traders are on alert," said Michael McCarthy, chief market strategist at CMC Markets. Top-level trade talks are scheduled to resume on Thursday, when Chinese vice-premier Liu He meets US trade representative Robert Lighthizer and treasury secretary Steven Mnuchin.

"The market is very vulnerable to headlines. Any further news on discussions in the US with negotiators in China could be very important," McCarthy said.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	48465.32	0.00	0.00%
ALSI	48604.00	0.00	0.00%
S&P 500	2938.79	-45.73	-1.56%
FTSE	7197.88	-54.73	-0.76%
CAC	5456.62	0.00	0.00%
DAX	11970.20	0.00	0.00%
Hang Seng	25893.40	-135.69	-0.52%



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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	386.00	395.75	8.75	9.75	395.25	-0.50	9.25
MAR 2010	398.00	406.50	7.50	8.50	406.00	-0.50	8.00
MAY 2010	403.00	411.25	6.75	8.25	410.75	-0.50	7.75
JUL 2010	406.00	414.50	6.25	8.50	414.00	-0.50	8.00
SEP 2010	401.00	406.00	3.75	5.00	405.75	-0.25	4.75

Farmfutures - Corn prices finished about 2% higher Tuesday after rising steadily through the session on some technical buying spurred by worries over the effect this week's wintry weather may have on substantial acres in the Northern Plains and upper Midwest that aren't harvested or even fully mature. Traders also continue to square positions ahead of Thursday's World Agricultural Supply and Demand Estimates (WASDE) report from USDA. December futures gained 8.75 cents to \$3.9575, with March futures up 7.5 cents to \$4.0650. Slow farmer sales are keeping corn basis bids mostly steady Tuesday, with prices rising 1 to 4 cents higher at two Midwestern locations while easing a penny lower at another today.



Monday afternoon's USDA crop progress report reinforced some lingering concerns over how this year's embattled corn season is going to limp across the finish line. Quality ratings fell another point to 56% in good-to-excellent condition. And harvest is rolling slower than analysts expected, with 15% completed as of October 6. Based on these latest ratings, corn yield potential is down more than half a bushel an acre, to 167.3 bpa.

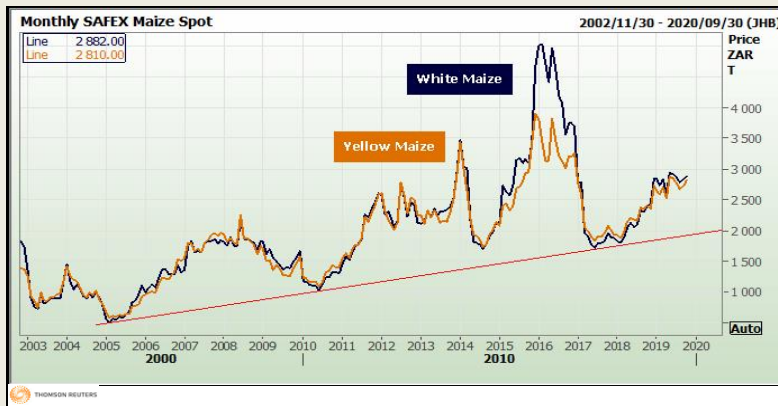
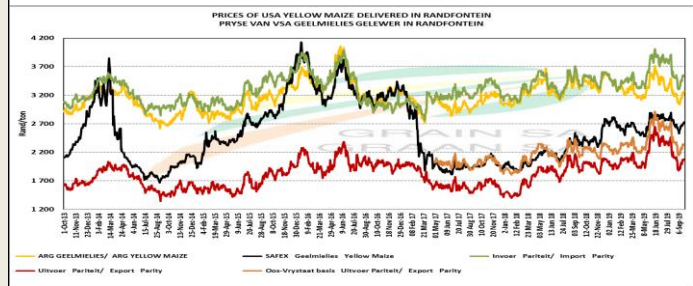
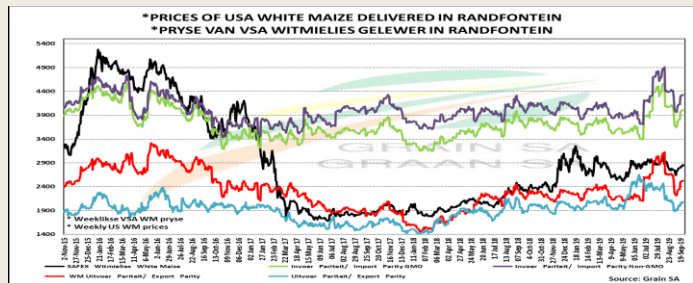
Ahead of Thursday's WASDE report from USDA, analysts are estimating that the agency will trim 500,000 harvested corn acres to 81.5 million acres. Analysts also foresee a drop in yield potential, from September estimates of 168 bushels per acre down to 166.7 bpa. That would leave production standing at an estimated 13.588 billion bushels. In France, which has struggled with some drought conditions earlier this year, the country's farm ministry is trimming its yield production estimates by 2.3% from September to 492.1 million bushels. Consultancy FranceAgriMer reported yesterday its harvest has also kicked off slower than usual this fall. In Ukraine, analyst ProAgro is raising the country's corn export forecast for 2019/20 to nearly 9% to 1.244 billion bushels.

Preliminary volume estimates were for 318,886 contracts, which more than doubled Monday's final count of 157,861.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Sep 2019				
Dec 2019	R 2 930.00	29%	R 72.63	R 3 002.63
Mar 2020	R 2 924.00	29%		R 2 924.00
May 2020	R 2 715.00	0%		R 2 715.00
Jul 2020	R 2 740.00	30.25%		R 2 740.00
Sep 2020	R 2 772.00	0%		R 2 772.00
Dec 2020	R 2 838.00	29%		R 2 838.00
Yellow Maize Future				
Sep 2019				
Dec 2019	R 2 848.00	22.5%	R 72.63	R 2 920.63
Mar 2020	R 2 813.00	21%		R 2 813.00
May 2020	R 2 680.00	0%		R 2 680.00
Jul 2020	R 2 698.00	19.5%		R 2 698.00
Sep 2020	R 2 731.00	0%		R 2 731.00
Dec 2020	R 2 796.00	0%		R 2 796.00

The local Maize market traded higher yesterday. The local Mar'18 WMAZ contract ended R53.00 up and Mar'18 YMAZ closed R50.00 higher. The May'18 WMAZ closed higher by R43.00 and May'18 YMAZ ended R33.00 up. The parity move for the Mar'18 Maize contract for yesterday was R53.00 positive.

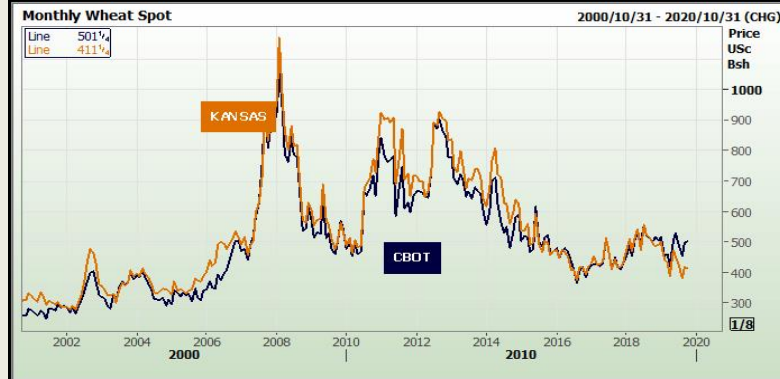


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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

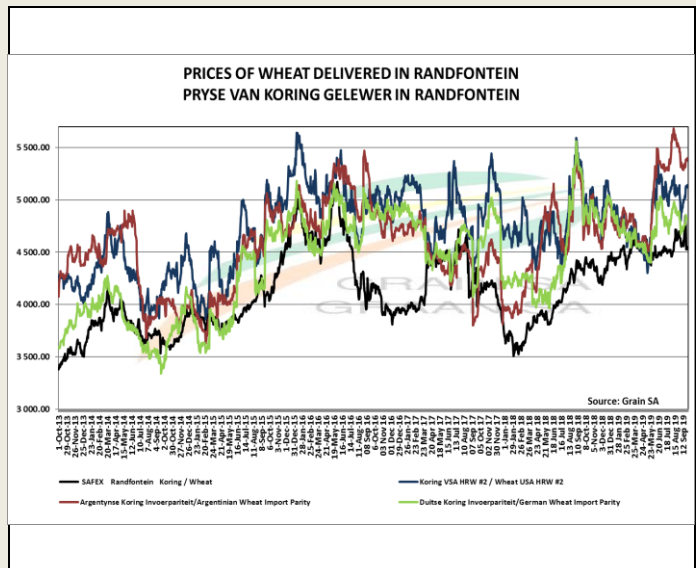
CBOT Wheat							KBOT Wheat								
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
DEC 2019	491.00	500.25	11.00	9.25	501.25	1.00	10.25	DEC 2019	404.00	410.25	8.00	6.25	411.25	1.00	7.25
MAR 2010	498.00	507.75	11.25	9.75	508.00	0.25	10.00	MAR 2010	419.00	424.25	7.25	5.25	425.50	1.25	6.50
MAY 2010	503.00	513.00	11.00	10.00	513.75	0.75	10.75	MAY 2010	429.00	434.50	7.00	5.50	435.50	1.00	6.50
JUL 2010	507.00	516.50	10.25	9.50	517.50	1.00	10.50	JUL 2010	438.00	444.25	7.25	6.25	445.25	1.00	7.25
SEP 2010	515.00	524.50	9.75	9.50	0.00	-524.50	-515.00	SEP 2010	452.00	454.50	7.00	2.50	0.00	-454.50	-452.00



Farmfutures - Wheat prices rallied on some technical buying Tuesday, with wintry weather later this week likely to disrupt the remaining spring wheat harvest in areas like North Dakota and Montana. Cooler temperatures across the central U.S. could also affect the pace of winter wheat planting in some areas. December Chicago SRW futures climbed 11 cents to \$5.0025, December Kansas City HRW futures gained 8 cents to \$4.1025, and December MGEX spring wheat futures picked up 5 cents to \$5.4425. The spring wheat harvest made negligible progress last week, advancing just one point to 91% complete. North Dakota still has 10% of its crop left to harvest, with snow risk eminent later this week. Winter wheat plantings crossed the halfway mark to 52%, up from 39% a week ago. Progress was two points behind analyst estimates but mostly in line with the pace of recent years, however. In Ukraine, analyst ProAgro raised the country's 2019/20 wheat export forecast fractionally to 709 million bushels. Russia's wheat exports between January and August totaled nearly 680 million bushels, which is trending nearly a third lower compared to the first eight months of 2018. Egypt purchased 10.8 million bushels of wheat from Russia and Ukraine in an international tender that closed earlier this week. Jordan purchased 2. Million bushels of hard milling wheat from optional origins in a tender that closed earlier today. The grain is for shipment in late January.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Sep 2019				
Dec 2019	R 4 625.00	11%	R 77.74	R 4 702.74
Mar 2020	R 4 725.00	9.5%		R 4 725.00
May 2020	R 4 759.00	0%		R 4 759.00
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 Weat market closed higher yesterday. The local Mar'18 Weat contract closed R9.00 up and May'18 Weat closed R3.00 higher. The parity move for the Mar'18 Weat contract for yesterday was R78.00 positive.



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Oil Seed 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
NOV 2019	916.00	920.50	5.25	4.50	922.00	1.50	6.00
JAN 2010	930.00	935.25	5.75	5.25	936.50	1.25	6.50
MAR 2010	941.00	947.00	6.50	6.00	948.25	1.25	7.25
MAY 2010	950.00	956.75	6.50	6.75	958.25	1.50	8.25
JUL 2010	958.00	965.50	6.50	7.50	965.50	0.00	7.50

Month	Main Session Close	Current Overnight
OCT 2019	302.3	0.00
DEC 2019	306.9	307.20
JAN 2010	309.3	309.60
MAR 2010	312.8	312.90
MAY 2010	316.5	316.80

Month	Main Session Close	Current Overnight
OCT 2019	29.77	0.00
DEC 2019	29.82	29.89
JAN 2010	30.06	30.13
MAR 2010	30.33	30.41
MAY 2010	30.63	30.72



Farmfutures - Soybean prices trended moderately higher Tuesday on some technical buying spurred by winterlike weather crossing the country later this week, which could damage crops and delay harvest progress. U.S.-China trade pessimism kept a lid on gains, however. November futures gained 5.25 cents to \$9.2050, with January futures up 5.75 cents to \$9.3525. Soybean basis bids were largely unchanged across the central U.S. Tuesday but did tick 2 cents higher at an Illinois river terminal today.

Soybean harvest moved from 7% complete a week ago up to 14%. That's still well behind 2018's pace of 31% and the five-year average of 34%, however. Seventy-two percent of the crop is dropping leaves, versus the five-year average of 87%.

Crop quality fell two points to 53% rated in good-to-excellent condition. The decline suggests greater potential that USDA will lower its production estimates in Thursday's WASDE report by 25 million bushels with a national yield average falling to 47.6 bpa. Ahead of Thursday's WASDE report, analysts expect USDA to slightly lower soybean yield potential from 47.9 bushels per acre in September down to 47.0 bpa. That would leave total production falling to 3.563 billion bushels.

Preliminary volume estimates were for 277,549 contracts, up moderately from Monday's final count of 229,090.

South African Futures Exchange

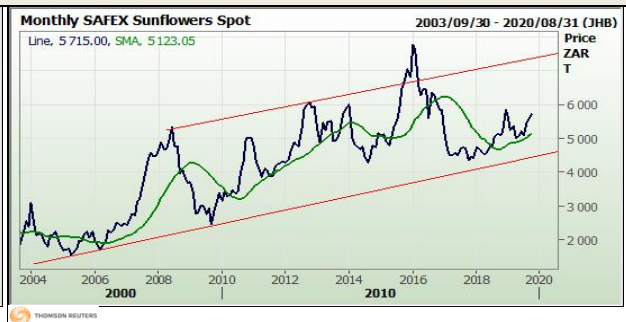
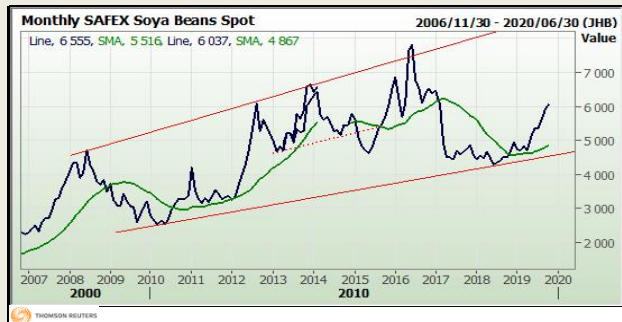
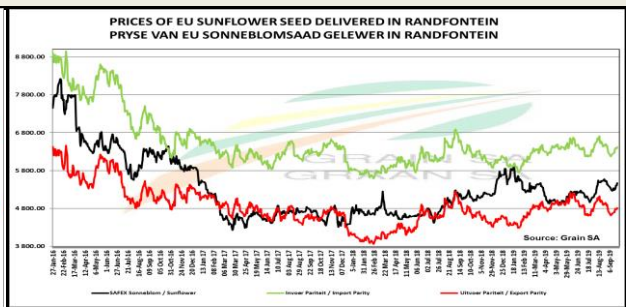
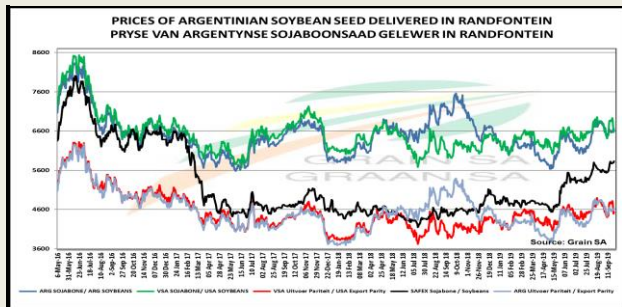
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 6 056.00	14%		R 6 056.00
Mar 2020	R 5 974.00	0%		R 5 974.00
May 2020	R 5 740.00	17%		R 5 740.00
Jul 2020	R 5 795.00	20.5%		R 5 795.00
Sep 2020	R 5 861.00	0%		R 5 861.00
Dec 2020				

	MTM	Vols
Sep 2019		
Dec 2019	R 5 847.00	16%
Mar 2020	R 5 839.00	0%
May 2020	R 5 354.00	13.5%
Jul 2020	R 5 440.00	0%
Sep 2020		
Dec 2020	R 5 575.00	0%



The local Soya market traded mixed yesterday. The local Mar'18 Soya contract ended R2.00 up while May'18 Soya closed R26.00 lower. The parity move for the Mar'18 Soya contract for yesterday was R64.00 positive.

The local Suns market closed mixed yesterday. The local Mar'18 Suns contract closed R19.00 up while May'18 Suns closed R5.00 lower.



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