



**Fundamental Report**  
**04 November 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.0954	14.8264	-0.2690	-1.78%
Euro/Rand	16.8244	16.5702	-0.2542	-1.51%
GBPound/Rand	19.5349	19.1851	-0.3498	-1.79%
AusDollar/Rand	10.4068	10.2614	-0.1454	-1.40%
Euro/USDollar	1.1149	1.1170	0.0021	0.19%
GBPound/USDollar	1.2948	1.2939	-0.0009	-0.07%
AusDollar/USDollar	0.6894	0.6921	0.0027	0.39%
JpyYen/USDollar	108.0400	108.2000	0.1600	0.15%

BDLive - The JSE closed higher on Friday concluding its best weekly gain in three weeks after US labour data came in stronger than expected, lifting global equities.

US non-farm payrolls rose by 128,000 in October, data showed on Friday, while the consensus was for only 89,000 new jobs according to Trading Economics. The data is considered an important indicator of the state of the US economy.

The latest job figures come just two days after the US Federal Reserve cut interest rates for the third time in 2019, as markets fear growth in the world's largest economy could be slowing.

"The Fed is looking smart today. The mid-cycle adjustment call seems to tentatively be justified with a robust labour market that continues to keep this record expansion going strong," said Oanda senior market analyst Edward Moya.



### Commodities

	Last	Value Change	% Change
Platinum	952.86	6.86	0.72%
Gold	1512.75	-0.80	-0.05%
Silver	18.12	0.03	0.19%
Copper	2.66	0.01	0.24%
Gasoil	584.25	6.25	1.07%
Brent Oil	61.35	-0.34	-0.55%

BDLive - Gold edged down on Friday on profit booking and as investors gauged the Federal Reserve's future rate cut stance, but the metal was set for a second weekly gain as the uncertainty surrounding a US-China trade deal boosted safe-haven appeal.

Spot gold fell 0.2% to \$1,510.77/oz at 3.15am GMT, while US gold futures were down 0.1% at \$1,513.20/oz. But spot gold is set to rise 0.5% on a weekly basis, after a 1% gain the previous week.

The US Federal Reserve on Wednesday lowered its policy rate by a quarter of a percentage point to a target range of 1.50% to 1.75% but signalled there would be no further reductions unless the economy takes a turn for the worse.

"The gold market looks pretty strong in the near-term given fresh uncertainty around the trade war and economic data from the US confirming the slowdown still lingering," said Janie Simpson, MD at ABC Bullion.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50428.14	0.00	0.00%
ALSI	50485.00	0.00	0.00%
S&P 500	3037.56	29.35	0.97%
FTSE	7248.38	54.04	0.75%
CAC	5761.89	0.00	0.00%
DAX	12866.79	94.26	0.73%
Hang Seng	27100.76	355.62	1.31%



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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	390.00	389.25	-0.75	-0.75	386.50	-2.75	-3.50
MAR 2010	398.00	398.50	-0.25	0.50	396.00	-2.50	-2.00
MAY 2010	404.00	404.50	-0.25	0.50	401.75	-2.75	-2.25
JUL 2010	410.00	410.00	0.00	0.00	407.75	-2.25	-2.25
SEP 2010	402.00	402.50	0.50	0.50	400.00	-2.50	-2.00

FarmFutures - Corn prices may have dodged a bullet today after USDA released some eye-popping production and yield estimates for next year's U.S. crop. Still, prices only faded slightly today, as snowy weather earlier in the week has kept a large percentage of the crop still unharvested and at risk. December futures slipped 0.75 cents to \$3.8925, with March futures easing 0.25 cents to \$3.9850.

Corn basis bids were mixed Friday amid generally slow farmer sales, booming as much as 16 cents higher at an Illinois ethanol plant but sinking as much as 3 cents lower at two other Midwestern locations today.

IEG Vantage raised its U.S. corn production estimates by 0.7% from October to reach 13.792 billion bushels, based on expected increases to corn yields, which it now estimates at 168.5 bushels per acre. USDA reported yesterday afternoon that farmers received an average \$3.80 per bushel for corn in September, which trended 13 cents lower than August but was 40 cents higher year-over-year.

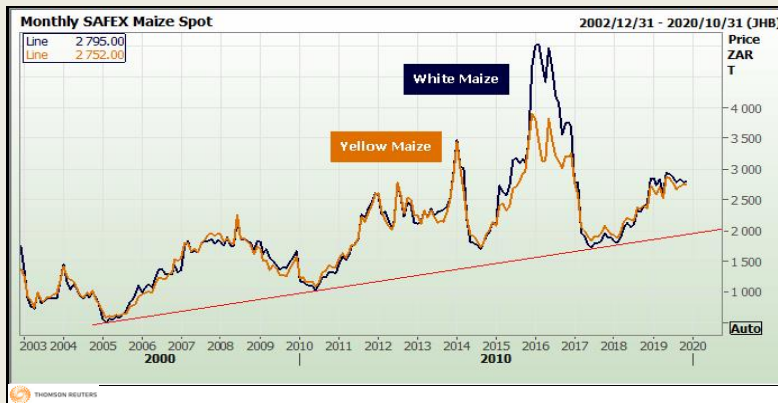
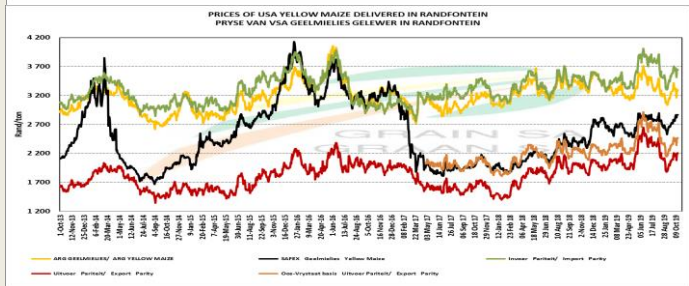
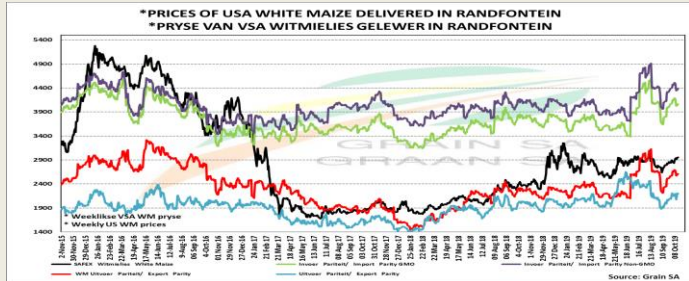
And earlier today, the agency released its 2020 crop outlook report, which includes an estimated 94.5 million acres of corn next spring. USDA also anticipates farmers will plant 84 million acres of soybeans this coming season, plus total wheat seedings of 45 million acres. The report also expects average corn yields to hit 178.5 bushels per acre next year, which would create a mammoth crop totaling 15.545 billion bushels. USDA is also projecting soybean yields at 50.5 bpa for a total production of 4.200 billion bushels, and wheat yields at 48.2 bpa for a total production of 1.836 billion bushels. Corn usage for ethanol dropped more than expected in September, falling to 406.5 million bushels, thanks in part to increased efficacy from ethanol plants. That puts the month's total usage down 9.5% year-over-year.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Sep 2019				
Dec 2019	R 2 820.00	29%	R -61.73	R 2 758.27
Mar 2020	R 2 848.00	34%		R 2 848.00
May 2020	R 2 739.00	0%		R 2 739.00
Jul 2020	R 2 746.00	32.5%		R 2 746.00
Sep 2020	R 2 781.00	0%		R 2 781.00
Dec 2020	R 2 851.00	29%		R 2 851.00
<b>Yellow Maize Future</b>				
Sep 2019				
Dec 2019	R 2 773.00	22.5%	R -61.73	R 2 711.27
Mar 2020	R 2 779.00	21.5%		R 2 779.00
May 2020	R 2 699.00	0%		R 2 699.00
Jul 2020	R 2 698.00	20%		R 2 698.00
Sep 2020	R 2 733.00	0%		R 2 733.00
Dec 2020	R 2 800.00	0%		R 2 800.00

The local Maize market traded higher yesterday. The Dec'19 WMAZ contract ended R14.00 up and Dec'19 YMAZ closed R18.00 higher. The Mar'20 WMAZ closed higher by R17.00 and Mar'20 YMAZ ended R14.00 up. The parity move for the Dec'19 Maize contract for yesterday was R59.00 negative.

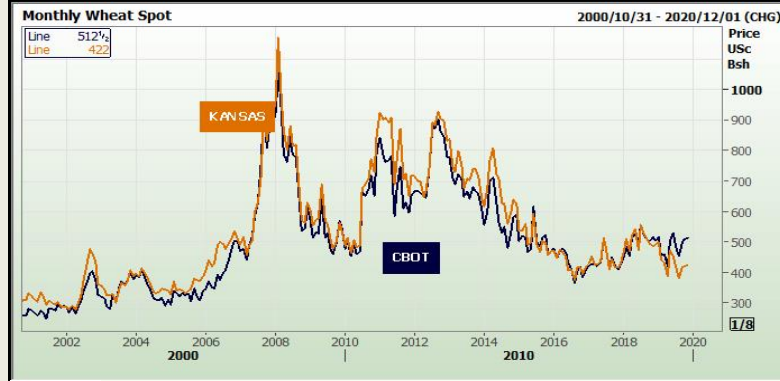


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## Wheat Market

### 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	509.00	516.00	7.25	7.00	512.50	-3.50	3.50		DEC 2019	420.00	426.00	6.25	6.00	422.00	-4.00	2.00	
MAR 2010	515.00	521.75	7.00	6.75	518.50	-3.25	3.50		MAR 2010	433.00	438.75	6.50	5.75	435.00	-3.75	2.00	
MAY 2010	520.00	526.50	7.25	6.50	523.00	-3.50	3.00		MAY 2010	442.00	447.75	7.00	5.75	443.75	-4.00	1.75	
JUL 2010	523.00	531.00	7.75	8.00	527.25	-3.75	4.25		JUL 2010	449.00	456.25	7.25	7.25	452.00	-4.25	3.00	
SEP 2010	528.00	537.75	7.75	9.75	0.00	-537.75	-528.00		SEP 2010	456.00	465.25	6.75	9.25	0.00	-465.25	-456.00	



FarmFutures - Wheat prices bounced more than 1% higher on a round of technical buying Friday after falling to three-week lows yesterday. December Chicago SRW futures gained 7.25 cents to \$5.16, December Kansas City HRW futures picked up 5 cents to \$4.2475, and December MGEX spring wheat futures added 7.25 cents to \$5.29.

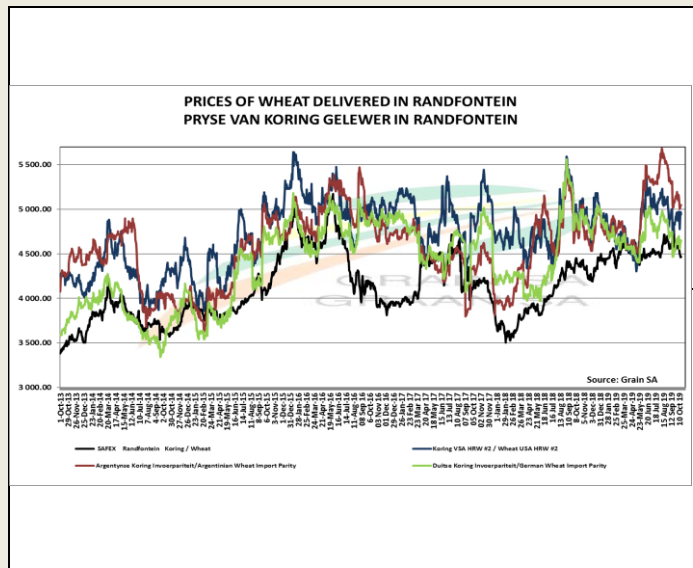
The Philippines issued an international tender to buy 1.3 million bushels of feed wheat from optional origins that include the U.S., South America, Australia and the Black Sea region. The deadline is November 5, and the grain is for shipment in December or January.

USDA reported that the average price received by farmers for all wheat was \$4.26 per bushel in September, which was 9 cents lower than August and 89 cents lower year-over-year.

Preliminary volume estimates were for 90,121 CBOT contracts, falling slightly below Thursday's final count of 96,671.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Sep 2019				
Dec 2019	R 4 497.00	11%	R -31.24	R 4 465.76
Mar 2020	R 4 603.00	9.5%		R 4 603.00
May 2020	R 4 638.00	0%		R 4 638.00
Jul 2020	R 4 702.00	0%		R 4 702.00
Sep 2020				
Dec 2020				
<b>Cape Wheat</b>				
Sep 2019				
Dec 2019				
Mar 2020				
May 2020				
Jul 2020				
Sep 2020				
Dec 2020				



The local Wheat market closed lower yesterday. The Dec'19 Wheat contract closed R18.00 down and Mar'20 Wheat closed R14.00 lower. The parity move for the Dec'19 Wheat contract for yesterday was R29.00 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	920.00	924.25	7.50	4.25	924.50	0.25	4.50
JAN 2010	934.00	936.75	4.50	2.75	936.75	0.00	2.75
MAR 2010	946.00	949.25	4.00	3.25	949.25	0.00	3.25
MAY 2010	958.00	960.75	3.75	2.75	960.50	-0.25	2.50
JUL 2010	968.00	970.75	3.50	2.75	971.00	0.25	3.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2019	303.9	304.20
JAN 2010	306.3	306.60
MAR 2010	309.9	310.30
MAY 2010	313.7	313.80
JUL 2010	317.5	317.60

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2019	31.03	31.12
JAN 2010	31.25	31.33
MAR 2010	31.53	31.59
MAY 2010	31.85	31.90
JUL 2010	32.13	32.01



FarmFutures - Soybean prices firmed by nearly 1% Friday on a round of technical buying spurred by another large Chinese purchase announced this morning, offering renewed hopes that the U.S. and China will still be able to come together later this month to sign phase one of a trade deal. U.S. Commerce Secretary said earlier today the agreement appears to be "in good shape" so far. November futures gained 7.5 cents to \$9.2425, with January futures up 4.5 cents to \$9.3675.

Soybean basis bids held steady across the Midwest today. Private exporters reported the sale of 4.9 million bushels of soybeans for delivery to China during the 2019/20 marketing year, which began September 1. IEG Vantage is forecasting average U.S. soybean yields at 47.0 bushels per acre, versus its estimate of 46.5 bpa a month ago. That has the group's production forecasts up 1.1% from October to reach 3.553 billion bushels.

Brazil's 2019/20 soybean crop is off to a bit of a sluggish start, according to analyst ARC Mercosul, which says 46.9% of expected acres have been planted, versus last year's pace of 61.6% and a five-year average of 49.2%.

USDA reported the average price for soybeans received by farmers in September was \$8.35 per bushel, which was 13 cents higher than August but down 43 cents year-over-year. Preliminary volume estimates were for 154,805 contracts, retreating moderately below Thursday's final count of 198,133.

### South African Futures Exchange

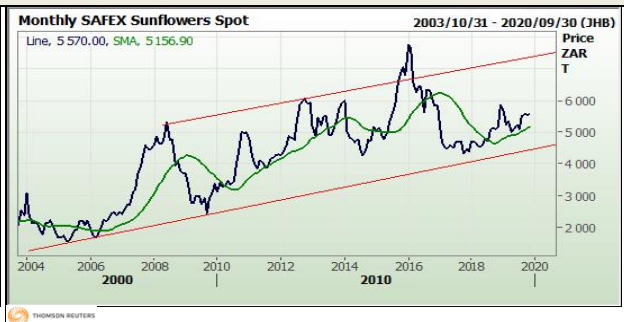
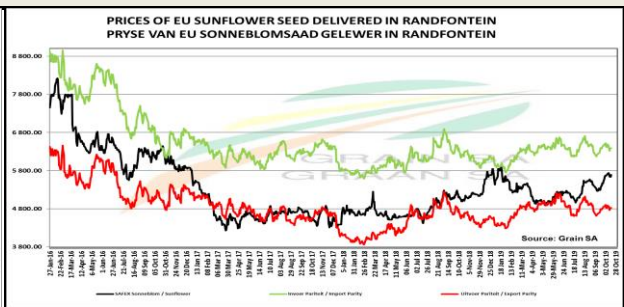
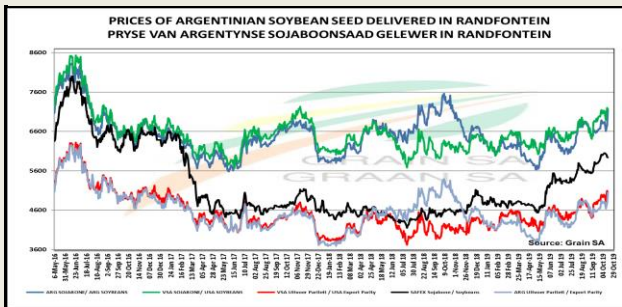
Soybean Future			
	MTM	Vols	Market Price
Sep 2019			
Dec 2019	R 6 053.00	14%	R 6 053.00
Mar 2020	R 6 030.00	0%	R 6 030.00
May 2020	R 5 941.00	17%	R 5 941.00
Jul 2020	R 6 010.00	20.5%	R 6 010.00
Sep 2020	R 6 040.00	0%	R 6 040.00
Dec 2020	R 6 065.00	0%	R 6 065.00

Sunflower Seeds Future			
	MTM	Vols	Market Price
Sep 2019			
Dec 2019	R 5 619.00	16%	R 5 619.00
Mar 2020	R 5 641.00	0%	R 5 641.00
May 2020	R 5 480.00	13.5%	R 5 480.00
Jul 2020	R 5 500.00	0%	R 5 500.00
Sep 2020			
Dec 2020	R 5 613.00	0%	R 5 613.00



The local Soya market traded higher yesterday. The Dec'19 Soya contract ended R2.00 up and Mar'20 Soya closed R24.00 higher. The parity move for the Dec'19 Soya contract for yesterday was R64.00 negative.

The local Suns market closed lower yesterday. The Dec'19 Suns contract closed R1.00 down and Mar'20 Suns closed R4.00 lower.



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