



**Fundamental Report**  
**06 November 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.7095	14.7218	0.0123	0.08%
Euro/Rand	16.3628	16.3181	-0.0447	-0.27%
GBPound/Rand	18.9612	18.9690	0.0078	0.04%
AusDollar/Rand	10.1849	10.1536	-0.0313	-0.31%
Euro/USDollar	1.1128	1.1079	-0.0049	-0.44%
GBPound/USDollar	1.2896	1.2885	-0.0011	-0.09%
AusDollar/USDollar	0.6924	0.6897	-0.0027	-0.39%
JpyYen/USDollar	108.8400	109.0300	0.1900	0.17%

BDLive - The JSE tracked global markets higher on Tuesday, boosted by expectations that the US and China are close to signing a partial deal on trade.

Reuters said earlier, according to sources familiar with the situation, that China wants this included as part the first phase of a trade deal that is expected to be signed this month.

"If the US does roll back existing tariffs, the positive spillover will extend beyond financial markets as such a move would alleviate the downward pressures on global trade conditions," said FXTM market analyst Han Tan. "Still, until that keenly awaited 'phase one' trade agreement is signed between the world's two largest economies, investors may continue keeping their exposure to riskier assets in check."



### Commodities

	Last	Value Change	% Change
Platinum	924.91	-3.89	-0.42%
Gold	1486.16	2.16	0.15%
Silver	17.58	-0.01	-0.03%
Copper	2.70	0.00	-0.15%
Gasoil	589.25	-0.25	-0.04%
Brent Oil	62.64	-0.32	-0.51%

BDLive - The Rand was firmer on Tuesday morning, in its third consecutive session of gains amid global risk-on, while local consumer confidence dropped to its lowest in almost two years.

The consumer confidence index, compiled by FNB and the Bureau for Economic Research at Stellenbosch University dropped to -7 points in the third quarter from five points in the second quarter of 2019, data from FNB showed on Tuesday.

This is below the median forecast of three points, according to Bloomberg.

News reports suggesting that the US may withdraw some of the tariffs imposed on Chinese imports lifted global market sentiment on Tuesday.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50984.38	0.00	0.00%
ALSI	51174.00	0.00	0.00%
S&P 500	3078.27	-3.65	-0.12%
FTSE	7369.69	18.39	0.25%
CAC	5846.89	0.00	0.00%
DAX	13136.28	12.22	0.09%
Hang Seng	27683.40	-71.47	-0.26%



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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	383.00	381.75	-1.50	-1.25	383.25	1.50	0.25
MAR 2010	393.00	391.75	-1.75	-1.25	392.50	0.75	-0.50
MAY 2010	401.00	398.50	-2.00	-2.50	399.00	0.50	-2.00
JUL 2010	407.00	404.75	-1.75	-2.25	405.00	0.25	-2.00
SEP 2010	400.00	398.75	-1.25	-1.25	399.25	0.50	-0.75

FarmFutures - Corn prices saw modest cuts Tuesday on some technical selling spurred partly by harvest pressure, with not a lot of additional disruptions likely this coming week across the Corn Belt. December futures dipped 1.5 cents to \$3.8175, with March futures falling 1.75 cents to \$3.9175.

Corn basis bids were steady to narrowly mixed Tuesday, rising as much as 2 cents and falling as much as 3 cents across a few Midwestern locations today.

Corn harvest finally crossed the halfway point, with 52% complete as of November 3. That's up from the prior week's tally of 41% but still significantly behind 2018's pace of 74% and the five-year average of 75%.

Corn quality held mostly steady this past week as analysts anticipated, meantime, with 58% in good-to-excellent condition. Nationwide ratings eased by about one-half a bushel per acre, while state-by-state analysis showed a slight uptick in yield potential.

South Korea purchased 2.2 million bushels of corn, likely sourced from Ukraine, in a deal that closed earlier today. The grain is for shipment in December.

Farm Futures senior grain market analyst Bryce Knorr has been tracking fertilizer prices and notes that with some nutrients selling at 10-year lows, relative bargains can be had in 2020. Click here to learn more in Knorr's latest Fertilizer Outlook column.

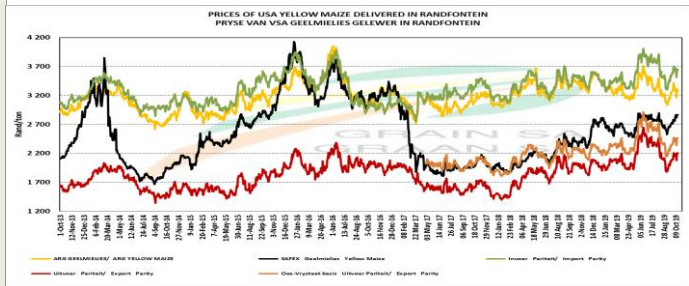
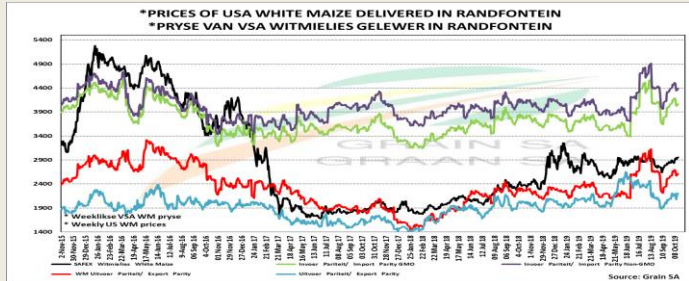
Preliminary volume estimates were for 278,604 contracts, moving ahead of Monday's final count of 235,725.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Sep 2019				
Dec 2019	R 2 721.00	26.5%	R 3.30	R 2 724.30
Mar 2020	R 2 749.00	34%		R 2 749.00
May 2020	R 2 665.00	0%		R 2 665.00
Jul 2020	R 2 664.00	32.5%		R 2 664.00
Sep 2020	R 2 726.00	0%		R 2 726.00
Dec 2020	R 2 801.00	29%		R 2 801.00
<b>Yellow Maize Future</b>				
Sep 2019				
Dec 2019	R 2 697.00	22.5%	R 3.30	R 2 700.30
Mar 2020	R 2 702.00	21.5%		R 2 702.00
May 2020	R 2 630.00	0%		R 2 630.00
Jul 2020	R 2 625.00	20%		R 2 625.00
Sep 2020	R 2 685.00	0%		R 2 685.00
Dec 2020	R 2 767.00	0%		R 2 767.00

The local Maize market traded lower yesterday. The Dec'19 WMAZ contract ended R15.00 down and Dec'19 YMAZ closed R15.00 lower. The Mar'20 WMAZ closed lower by R15.00 and Mar'20 YMAZ ended R15.00 down. The parity move for the Dec'19 Maize contract for yesterday was R3.00 positive.

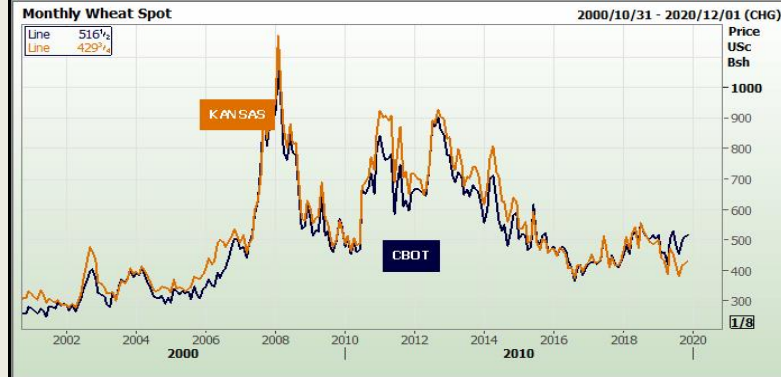


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## Wheat Market

### Chicago Board of Trade and Kansas Board of Trade

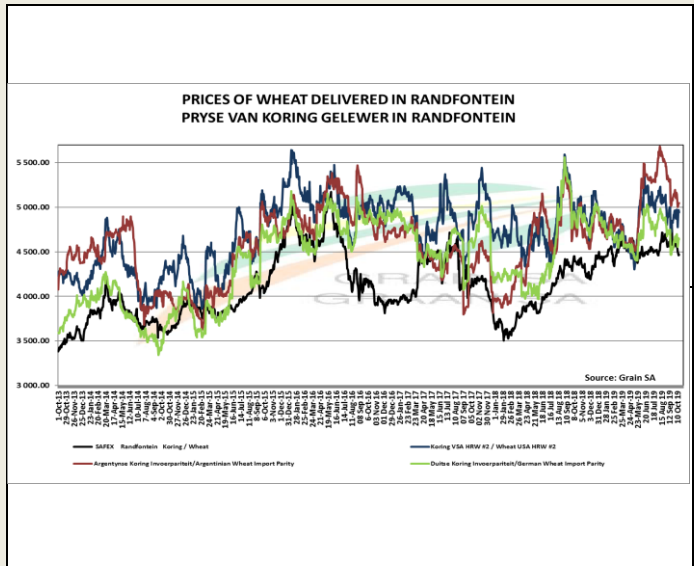
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
DEC 2019	511.00	515.25	5.50	4.25	516.50	1.25	5.50	DEC 2019	426.00	428.50	5.50	2.50	429.75	1.25	3.75
MAR 2010	518.00	520.25	4.00	2.25	521.50	1.25	3.50	MAR 2010	438.00	439.50	4.00	1.50	440.50	1.00	2.50
MAY 2010	523.00	524.50	3.25	1.50	525.25	0.75	2.25	MAY 2010	447.00	447.50	3.25	0.50	448.50	1.00	1.50
JUL 2010	527.00	529.00	3.25	2.00	529.50	0.50	2.50	JUL 2010	456.00	455.00	2.00	-1.00	456.25	1.25	0.25
SEP 2010	534.00	535.75	3.00	1.75	536.75	1.00	2.75	SEP 2010	465.00	463.75	1.25	-1.25	463.00	-0.75	-0.75



FarmFutures - Wheat prices found solid gains on a round of short-covering and technical buying Tuesday, with some contracts up as much as 1.5% today. December Chicago SRW futures added 5.5 cents to \$5.1525, December Kansas City HRW futures gained 6.5 cents to \$4.2950, and December MGEX spring wheat futures picked up 1.75 cents to \$5.25. Winter wheat plantings crept forward to 89% last week, up just four points from the prior week's total of 85%. This year's pace is slightly ahead of 2018's 83% and the five-year average of 88%. Another 71% of the crop is emerged, up from 63% a week ago. Winter wheat crop condition ticked a point higher, to 57% rated good-to-excellent. Average yield potential was little changed, with our models ranging from 48.6 bushels per acre to 50.5. Egypt purchased 6.4 million bushels of wheat in an international tender that closed earlier today. About two-thirds of the total was sourced from France, with the remainder coming from Russia. The grain is for shipment in mid-December. Russia's total wheat exports in October were for an estimated 125 million bushels, the lowest monthly tally since July. Japan issued a regular tender to purchase 4.6 million bushels of food-quality wheat from the U.S., Canada and Australia. Of the total, 46% is expected to be sourced from the U.S. The Philippines purchased 1.3 million bushels of feed wheat, likely sourced from Australia, in a tender that closed earlier today. The grain is for shipment in December.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Sep 2019				
Dec 2019	R 4 410.00	11%	R 32.06	R 4 442.06
Mar 2020	R 4 523.00	9.5%		R 4 523.00
May 2020	R 4 591.00	0%		R 4 591.00
Jul 2020	R 4 662.00	0%		R 4 662.00
Sep 2020	R 4 697.00	0%		R 4 697.00
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 R26.00 down and Mar'20 Wheat closed R27.00 lower. The parity move for the Dec'19 Wheat contract for yesterday was R32.00 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	925.00	921.75	-4.00	-3.25	920.75	-1.00
JAN 2010	938.00	934.25	-3.75	-3.75	933.75	-0.50
MAR 2010	951.00	947.25	-4.00	-3.75	946.75	-0.50
MAY 2010	963.00	959.00	-4.25	-4.00	958.00	-1.00
JUL 2010	974.00	969.25	-4.25	-4.75	968.25	-1.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
DEC 2019	302.7	302.80
JAN 2010	305.1	305.10
MAR 2010	308.6	308.60
MAY 2010	312.4	312.30
JUL 2010	316.4	316.10

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
DEC 2019	31.57	31.51
JAN 2010	31.79	31.73
MAR 2010	32.05	31.99
MAY 2010	32.37	32.25
JUL 2010	32.66	32.61



FarmFutures - Soybean prices followed corn lower on a round of technical selling partly spurred by harvest pressure, and as traders anxiously await additional details regarding ongoing U.S.-China trade negotiations. November futures dropped 4 cents to \$9.2175, with January futures down 3.75 cents to \$9.3425.

Soybean basis bids were steady to firm Tuesday, rising 3 to 5 cents higher across a handful of Midwestern locations today. Soybean harvest is now three-quarters of the way finished as of November 3, according to USDA – up from 62% last week but still moderately behind 2018's pace of 81% and the five-year average of 87%.

Farmers reporting to Feedback From The Field last week saw a wide range of soybean yield potential, ranging from 25 bushels per acre to 70 bpa. Click here to read the latest round of farmer anecdotes and view our interactive map.

Bloomberg reports: "China is seeking the roll back of U.S. tariffs on as much as \$360 billion of Chinese imports before President Xi Jinping agrees to go to the U.S. to sign a partial trade deal with President Donald Trump, according to people familiar with the matter." Click here to learn more.

Preliminary volume estimates were for 139,891 contracts, falling slightly below Monday's final count of 146,996.

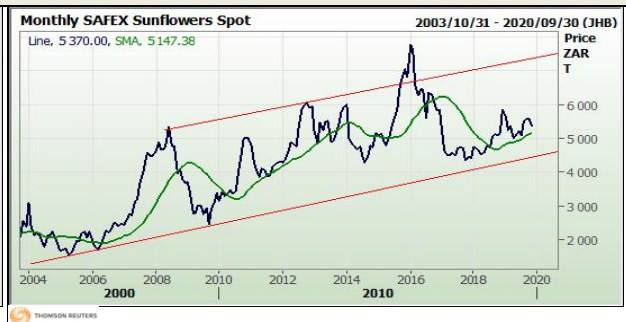
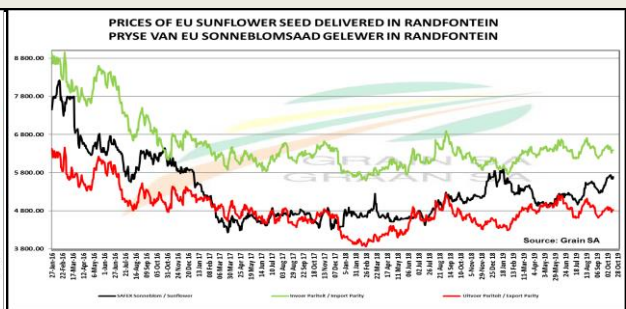
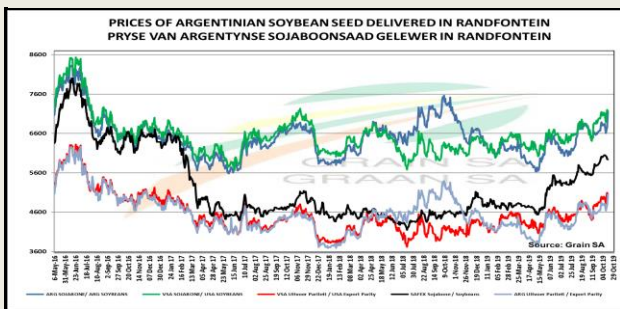
### South African Futures Exchange

Soybean Future				
	MTM	Vols	Parity Change	Market Price
Sep 2019				
Dec 2019	R 5 989.00	14%		R 5 989.00
Mar 2020	R 5 979.00	0%		R 5 979.00
May 2020	R 5 890.00	17%		R 5 890.00
Jul 2020	R 5 950.00	20.5%		R 5 950.00
Sep 2020	R 6 032.00	0%		R 6 032.00
Dec 2020	R 6 065.00	0%		R 6 065.00

Sunflower Seeds Future				
	MTM	Vols		
Sep 2019				
Dec 2019	R 5 421.00	16%		R 5 421.00
Mar 2020	R 5 478.00	0%		R 5 478.00
May 2020	R 5 385.00	13.5%		R 5 385.00
Jul 2020	R 5 434.00	0%		R 5 434.00
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 R14.00 up and Mar'20 Soya closed R14.00 higher. The parity move for the Dec'19 Soya contract for yesterday was R18.00 negative.

The local Suns market closed lower yesterday. The Dec'19 Suns contract closed R100.00 down and Mar'20 Suns closed R70.00 lower.



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