



Fundamental Report
17 May 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.1608	14.3066	0.1458	1.03%
Euro/Rand	15.8794	15.9896	0.1102	0.69%
GBPound/Rand	18.1725	18.2937	0.1212	0.67%
AusDollar/Rand	9.8073	9.8507	0.0434	0.44%
Euro/USDollar	1.1211	1.1174	-0.0037	-0.33%
GBPound/USDollar	1.2829	1.2789	-0.0040	-0.31%
AusDollar/USDollar	0.6925	0.6885	-0.0040	-0.58%
JpyYen/USDollar	109.5600	109.7300	0.1700	0.16%

BDLive - The JSE closed higher on Thursday, with global markets undeterred by the continued tit-for-tat trade-tariff battle between the US and China.

The tension between the two superpowers has been the main driver of the markets this week as their game of brinkmanship escalated.

On Wednesday, US President Donald Trump signed an executive order giving way to authorities to ban Chinese telecoms giant Huawei from the US market, which further intensified the dispute between the two countries.

Global markets shrugged off anxiety about the trade conflict on Thursday, however, with most gaining.

By the close the JSE all share was up 0.88% at 56,537.7 points with resources leading the gains, up 1.08%. The top 40 rose 0.97%.



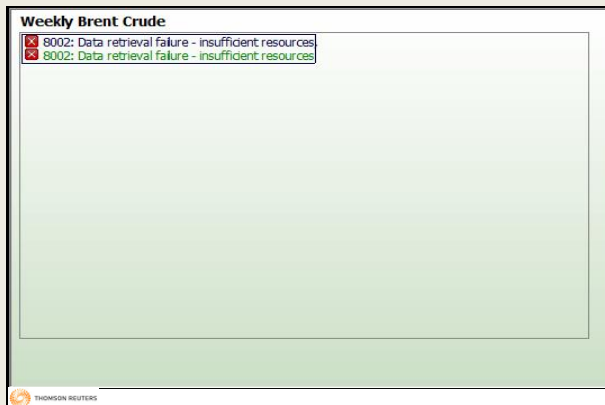
Commodities

	Last	Value Change	% Change
Platinum	830.16	0.66	0.08%
Gold	1286.04	-0.36	-0.03%
Silver	14.53	-0.03	-0.20%
Copper	2.74	-0.01	-0.48%
Gasoil	662.75	-2.50	-0.38%
Brent Oil	72.76	0.14	0.19%

BDLive - Foreign investors have increased their exposure to certain precious metal shares over the past year, according to an analysis of SA equities by Bank of America Merrill Lynch Global Research.

This is in spite of the general distress among SA's precious metals producers as the industry struggles with rising costs and ageing gold assets and a low platinum price. In a report, released on Thursday, the bank's research arm said SA's equities in general are 52% foreign-owned as of March 2019, an increase of 0.5 percentage points compared with April 2018. More specifically, SA's mining stocks are 62% foreign-owned, up from 60% in 2018. Industrials are 54% foreign-owned, compared with 55% in 2018, while financials are unchanged at 37%.

In the resources category, foreign investors have bought up shares of four precious metal mining companies — Impala Platinum (+11.1 percentage points), Anglo Platinum (+5.1 percentage points), AngloGold (+6.8 percentage points) and Gold Fields (+6 percentage points).



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	50360.28	0.00	0.00%
ALSI	50722.00	0.00	0.00%
S&P 500	2850.96	25.36	0.89%
FTSE	7296.95	56.56	0.78%
CAC	5448.11	0.00	0.00%
DAX	12310.37	0.00	0.00%
Hang Seng	28275.07	-205.15	-0.73%



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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
JUL 2019	375.00	379.00	9.50	4.00	382.00	3.00	7.00
SEP 2019	383.00	387.00	8.75	4.00	389.75	2.75	6.75
DEC 2019	393.00	396.50	7.75	3.50	398.75	2.25	5.75
MAR 2010	405.00	406.50	6.00	1.50	408.50	2.00	3.50
MAY 2010	412.00	412.25	4.50	0.25	414.00	1.75	2.00

FarmFutures - Corn prices tracked nearly 3% higher Thursday as traders continue to fret over slow planting progress, with plenty more rain in the forecast over the next several days. July futures firmed 9.5 cents to \$3.79, with September futures up 8.75 cents to \$3.87.

Corn basis bids were largely unchanged Thursday but did ease 1 to 3 cents lower at two Midwestern locations today. Corn notched 21.8 million bushels in old crop sales last week, plus another 3.2 million bushels in new crop sales, for a total of 25.0 million bushels. That was well above the prior week's tally of 11.6 million bushels and moderately ahead of trade estimates of 19.7 million bushels.

Corn export shipments reached 40.5 million bushels last week, pushing the weekly rate needed to meet USDA forecasts up to 52.7 million bushels. For the 2018/19 marketing year, Mexico leads all destinations for U.S. corn export commitments by accounting for 32% of the total. Consultancy Strategie Grains slightly lowered its estimates for 2019/20 European Union corn production to 2.476 billion bushels.

Ukraine's 2018/19 corn exports have reached 1.008 billion bushels as of May 15, per the country's agriculture ministry. Taiwan purchased 2.6 million bushels of corn, source from either the U.S. or Brazil, in an international tender that closed earlier today.

Perhaps not surprisingly, "wet" is the word for 2019, per farmers reporting field conditions to Farm Futures Feedback from the Field. Click here to find out what's happening in your area, including fresh farmer anecdotes and an interactive map. And will slow planting progress convince the trade to abandon USDA's May forecast for a U.S. crop of 15 billion bushels? Farm Futures senior grain market analyst Bryce Knorr thinks so - click here to see what factors are currently in play in his latest Corn Outlook column.

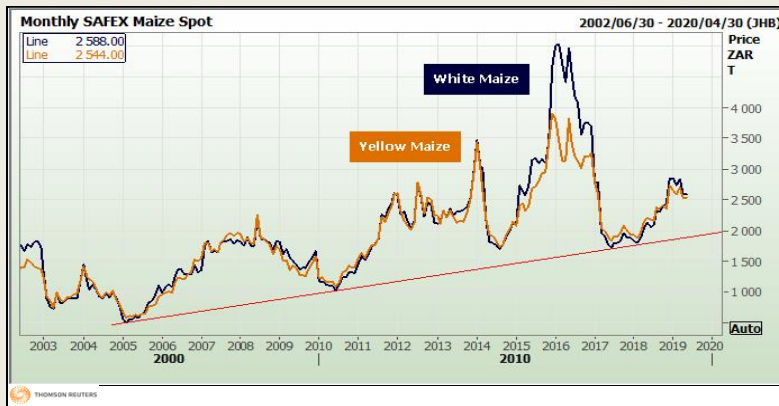
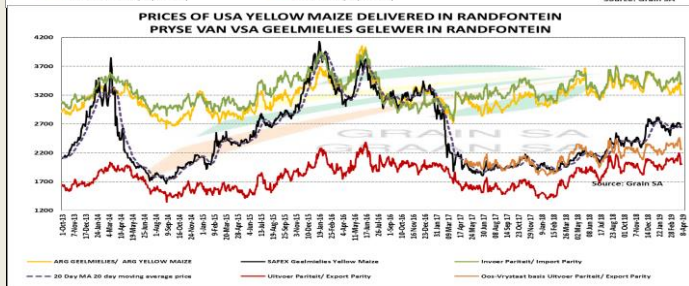
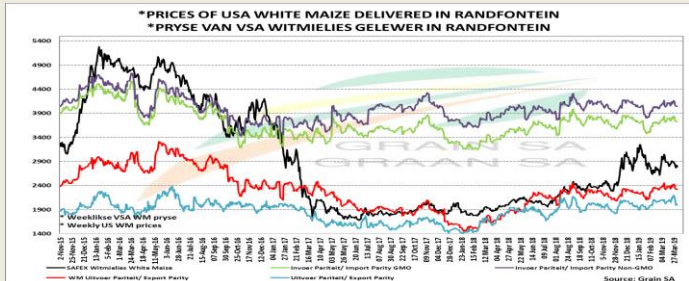
Preliminary volume estimates were for 340,005 contracts, shrinking 46% below Wednesday's final count of 624,859.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Dec 2018				
Mar 2019				
May 2019	R 2 588.00	26.75%		R 2 588.00
Jul 2019	R 2 632.00	23.25%	R 60.95	R 2 692.95
Sep 2019	R 2 686.00	25%	R 60.00	R 2 746.00
Dec 2019	R 2 774.00	26.5%	R 54.94	R 2 828.94
Jul 2019	R 2 632.00	23.25%	R 60.95	R 2 692.95
Yellow Maize Future				
Dec 2018				
Mar 2019				
May 2019	R 2 544.00	24%		R 2 544.00
Jul 2019	R 2 575.00	19%	R 60.95	R 2 635.95
Sep 2019	R 2 636.00	16.5%	R 60.00	R 2 696.00
Dec 2019	R 2 698.00	17%	R 54.94	R 2 752.94
Jul 2019	R 2 575.00	19%	R 60.95	R 2 635.95

The local Maize market traded mixed yesterday. The local May'19 WMAZ contract ended R6.00 down while May'19 YMAZ closed R12.00 higher. The Jul'19 WMAZ closed lower by R16.00 while Jul'19 YMAZ ended R3.00 up. The parity move for the May'19 Maize contract for yesterday was R60.00 positive.



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Wheat Market

Chicago Board of Trade and Kansas Board of Trade

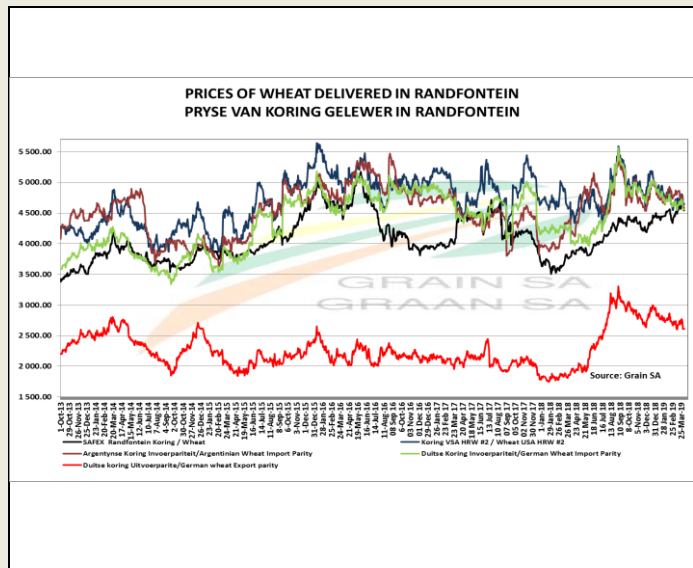
CBOT Wheat							KBOT Wheat								
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
JUL 2019	457.00	467.00	18.25	10.00	470.25	3.25	13.25	JUL 2019	408.00	416.75	14.75	8.75	420.50	3.75	12.50
SEP 2019	464.00	473.50	17.25	9.50	476.50	3.00	12.50	SEP 2019	419.00	427.75	14.75	8.75	431.50	3.75	12.50
DEC 2019	477.00	486.25	15.75	9.25	488.50	2.25	11.50	DEC 2019	440.00	448.75	14.50	8.75	452.75	4.00	12.75
MAR 2010	491.00	498.75	14.25	7.75	501.00	2.25	10.00	MAR 2010	461.00	470.00	14.50	9.00	474.25	4.25	13.25
MAY 2010	498.00	505.75	13.25	7.75	0.00	-505.75	-498.00	MAY 2010	476.00	484.75	14.00	8.75	488.25	3.50	12.25



FarmFutures - Wheat prices surged as much as 4% higher Thursday on a round of short-covering and spillover strength from corn and soybeans. July Chicago SRW futures soared 18.25 cents to \$4.67, July Kansas City HRW futures gained 17 cents to \$4.19, and July MGEX spring wheat futures added 11.5 cents to \$5.28. Wheat found 4.2 million bushels in old crop sales and 15.4 million bushels in new crop sales for a total of 19.6 million bushels. That was slightly ahead of the prior week's total of 18.5 million bushels and moderately ahead of trade estimates of 13.8 million bushels. Wheat export shipments were for 16.7 million bushels last week, which is still far behind the weekly rate needed to match USDA forecasts, which is now at 35.6 million bushels. Mexico and the Philippines are the top destinations for U.S. wheat export commitments this marketing year, with both countries accounting for 13% of the total. Consultancy Strategie Grains slightly reduced its estimates for European Union wheat production for 2019/20 to 5.287 billion bushels, also trimming EU barley production estimates to 2.770 billion bushels. Ukraine's 2018/19 wheat exports have reached 536 million bushels as of May 15, per the country's agriculture ministry. Iraq has purchased 32.4 million bushels of wheat from its farmers so far this year, valued at around \$53 million. Preliminary volume estimates were for 70,122 CBOT contracts, less than half of Wednesday's final count of 142,008.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Dec 2018				
Mar 2019				
May 2019	R 4 450.00	0%		R 4 450.00
Jul 2019	R 4 471.00	12%	R 94.13	R 4 565.13
Sep 2019	R 4 460.00	0%	R 90.57	R 4 550.57
Dec 2019	R 4 392.00	12.5%	R 86.01	R 4 478.01
Jul 2019	R 4 471.00	12%	R 94.13	R 4 565.13
Cape Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019				
Dec 2019				
Jul 2019				



The local Weat market closed lower yesterday. The local May'19 Weat contract closed R28.00 down and Jul'19 Weat closed R33.00 lower. The parity move for the May'19 Weat contract for yesterday was R92.00 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
JUL 2019	841.00	839.75	4.25	-1.25	839.25	-0.50
AUG 2019	847.00	846.50	4.50	-0.50	845.75	-0.75
SEP 2019	853.00	852.50	4.50	-0.50	853.00	0.50
NOV 2019	866.00	864.75	5.00	-1.25	864.25	-0.50
JAN 2010	878.00	877.25	4.75	-0.75	876.75	-0.50

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2019	301.9	302.10
AUG 2019	303.4	303.50
SEP 2019	305.1	305.20
OCT 2019	306.4	306.50
DEC 2019	309.2	308.90

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2019	27.72	27.61
AUG 2019	27.84	27.74
SEP 2019	27.96	27.81
OCT 2019	28.09	28.14
DEC 2019	28.39	28.26



FarmFutures - Soybean prices found moderate gains of around 0.5% Thursday on late planting worries and spillover strength in corn. July futures added 4.25 cents to \$8.3975, with August futures up 4.5 cents to \$8.4650. Soybean basis bids were largely unchanged Thursday but did spike 6 cents higher at an Illinois river terminal today. Soybeans found 13.6 million bushels of old crop sales last week, plus another 11.1 million in new crop sales, for a total of 24.8 million bushels. That is well ahead of the prior week's tally of 5.4 million bushels and slightly above trade estimates of 23.9 million bushels. China still has 265 million bushels of unshipped sales, which could end up elsewhere if a U.S.-China deal isn't penned by this summer, according to Farm Futures senior grain market analyst. China accounts for 29% of all U.S. soybean export commitments so far in 2018/19.

Speaking from South Korea, Secretary of Agriculture Sonny Perdue on Wednesday evening confirmed that the U.S. Department of Agriculture will be looking to offset the trade disruption to farmers in the range of \$15 to \$20 billion. Farm Futures policy editor Jacqui Fatka has the details here. Meantime, farmers have until tomorrow to certify their 2018 crop production to qualify for the initial round of Market Facilitation Program payments. Click here for details.

The Buenos Aires Grains Exchange now projects the country's 2018/19 soybean production at 2.058 billion bushels, up 1.8% from prior estimates due to better-than-expected crop yields so far. Preliminary volume estimates were for 131,542 contracts, shifting significantly lower than Wednesday's final count of 289,156.

South African Futures Exchange

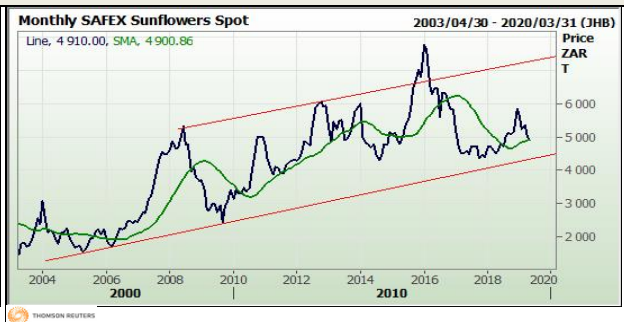
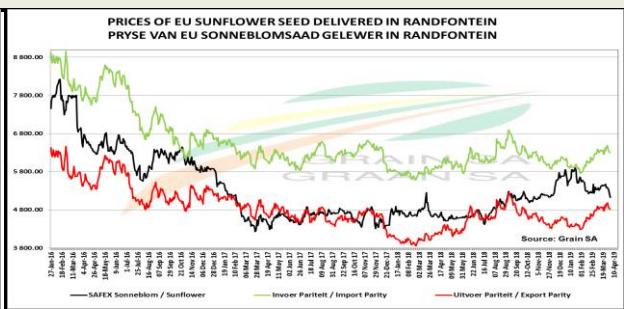
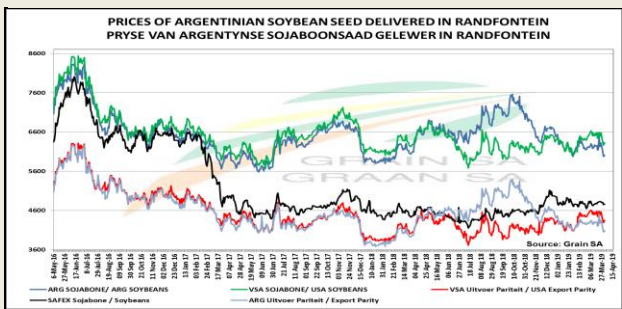
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2018				
Mar 2019				
May 2019	R 4 649.00	16%		R 4 649.00
Jul 2019	R 4 720.00	15%	R 35.85	R 4 755.85
Sep 2019	R 4 809.00	0%	R 45.70	R 4 854.70
Dec 2019	R 4 932.00	14%		R 4 932.00
Jul 2019	R 4 720.00	15%	R 35.85	R 4 755.85

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019	R 4 910.00	17%
Jul 2019	R 4 975.00	17.25%
Sep 2019	R 5 131.00	0%
Dec 2019	R 5 230.00	16%
Jul 2019	R 4 975.00	17.25%



The local Soya market traded lower yesterday. The local May'19 Soya contract ended R37.00 down and Jul'19 Soya closed R25.00 lower. The parity move for the May'19 Soya contract for yesterday was R36.00 positive.

The local Suns market closed lower yesterday. The local May'19 Suns contract closed R38.00 down and Jul'19 Suns closed R49.00 lower.



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