



**Fundamental Report**  
**22 May 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	14.3994	14.3926	-0.0068	-0.05%
Euro/Rand	16.0650	16.0696	0.0046	0.03%
GBPound/Rand	18.2921	18.3003	0.0082	0.04%
AusDollar/Rand	9.9112	9.9036	-0.0076	-0.08%
Euro/USDollar	1.1154	1.1161	0.0007	0.06%
GBPound/USDollar	1.2699	1.2716	0.0017	0.13%
AusDollar/USDollar	0.6881	0.6880	-0.0001	-0.01%
JpyYen/USDollar	110.2000	110.5000	0.3000	0.27%

BDLive - The JSE closed lower on Tuesday, despite global sentiment improving a little after the US temporarily lifted its ban on Chinese telecoms giant Huawei.

Banks and general retailers fared worst on the day, despite a firmer rand. Both sectors are interest rate-sensitive, and Wednesday sees the release of US Federal Reserve minutes, while the SA Reserve Bank will announce its latest stance on monetary policy on Thursday.

International sentiment improved on Tuesday following news that the US had issued a 90-day licence for US companies to continue doing business with Huawei. This follows the Trump administration's decision last week to blacklist Huawei from the US market. The crackdown on Huawei further escalated the ongoing tension over trade between the world's two-largest economies.



### Commodities

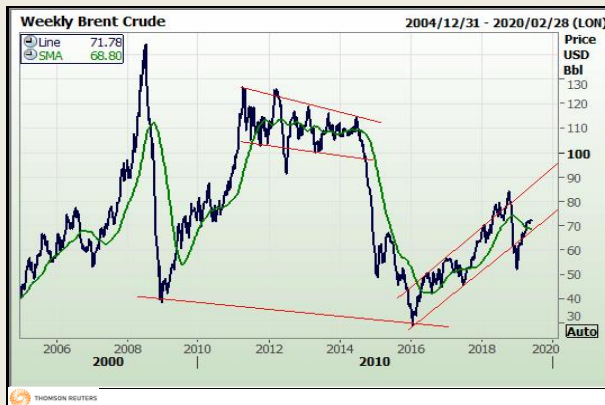
	Last	Value Change	% Change
Platinum	809.17	-4.33	-0.54%
Gold	1274.06	-0.66	-0.05%
Silver	14.40	-0.05	-0.31%
Copper	2.71	0.00	-0.09%
Gasoil	641.75	-3.25	-0.51%
Brent Oil	71.78	-0.40	-0.56%

BDLive - Bengaluru — Gold eased on Tuesday after touching a more than two-week low in the previous session, as increasing bets that the US Federal Reserve will not cut interest rates in 2019 boosted the dollar which usurped bullion's safe-haven appeal.

Spot gold fell 0.2% to \$1,275.61 per ounce at 0334 GMT. Last session, gold dipped to a more than two-week trough of \$1,273.22. US gold futures also eased 0.2% to \$1,275.20 an ounce.

The dollar held near a 2½-week high on Tuesday, supported by higher US-yields and as intensifying trade frictions between the US and China boosted appetite for the safe-haven greenback.

"The dollar strength is starting to re-emerge because the Fed really hasn't been as dovish as market participants are looking for," said David Song, an analyst at DailyFX.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	49486.29	0.00	0.00%
ALSI	49716.00	0.00	0.00%
S&P 500	2840.23	24.13	0.85%
FTSE	7310.88	18.04	0.25%
CAC	5385.46	0.00	0.00%
DAX	12143.47	0.00	0.00%
Hang Seng	27657.24	54.39	0.20%



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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	395.00	394.25	5.25	-0.75	395.25	1.00	0.25
SEP 2019	402.00	402.75	6.00	0.75	404.00	1.25	2.00
DEC 2019	409.00	410.50	6.00	1.50	412.25	1.75	3.25
MAR 2010	418.00	420.00	5.75	2.00	422.00	2.00	4.00
MAY 2010	423.00	423.75	5.00	0.75	425.50	1.75	2.50

FarmFutures - Corn prices moved more than 1% higher today after the latest crop progress report from USDA shows a historically slow planting pace this spring. July futures gained 5.25 cents to \$3.9425, with September futures up 6 cents to \$4.0275. Corn basis bids were mixed again on Tuesday, trending as much as 4 cents higher and 4 cents lower across the central U.S. as buyers deal with uneven supply and demand issues.

USDA estimates 49% of the U.S. corn crop has now been planted as of May 19. That's a big jump from 30% the week prior but remains significantly behind 2018's pace of 78% and a prior five-year average of 80%. Analysts expected USDA to report progress of 50%. Only nine of the top 18 production states have planted at least half of their corn crop so far this spring. Production now faces "uphill odds" unless weather turns out perfect for the rest of the season, according to Farm Futures senior grain market analyst Bryce Knorr. "Planted acreage could fall to 90 million, 2.8 million less than USDA estimated in March," he says. "And yield potential with normal summer weather could drop nearly 7 bushels per acre, from 176.4 to 169.5 bpa."

Farm Futures wants to know what field conditions you've seen as the spring unfolds. Click this link to tell us what's happening in your area, and we'll publish regular updates featuring firsthand accounts from growers with an interactive map of conditions. Farmer reports this spring have been an accurate predictor of what USDA reports in its weekly crop progress updates.

The European Union's Cocerec raised its estimates for 2019 corn production by 3.1% from March projections, now topping 2.476 billion bushels. The Philippines plans to purchase as much as 11.8 million bushels of corn, with the government blaming drought from El Niño conditions creating a production shortfall.

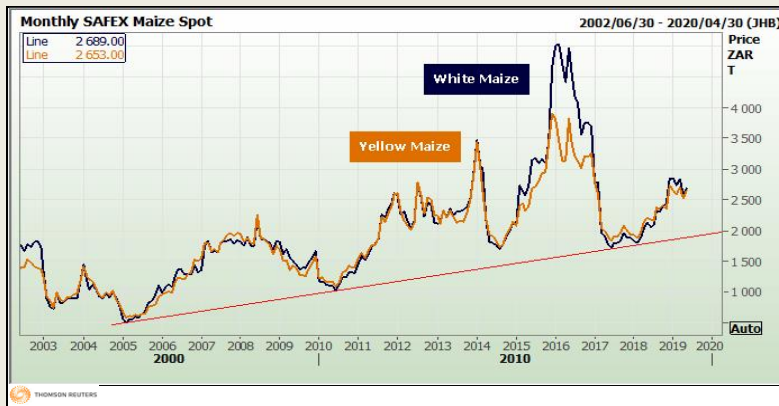
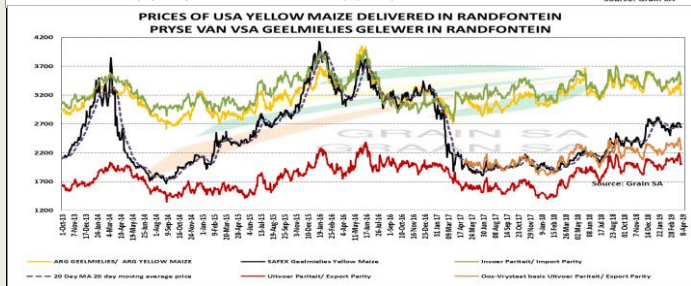
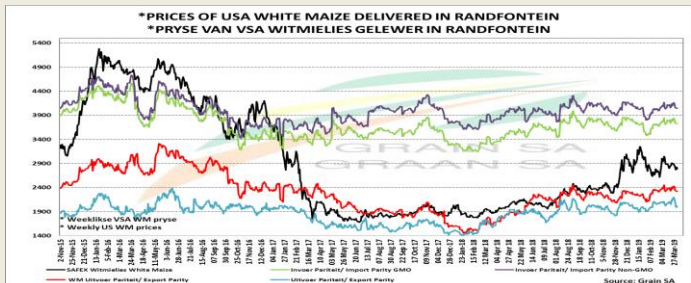
Preliminary volume estimates were for 675,836 contracts, easing 7% below Monday's final count of 727,086.



## South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2018				
Mar 2019				
May 2019	R 2 689.00	26.75%		R 2 689.00
Jul 2019	R 2 726.00	28.5%	R 0.36	R 2 726.36
Sep 2019	R 2 788.00	25%	R 10.26	R 2 798.26
Dec 2019	R 2 871.00	24.5%	R 17.32	R 2 888.32
Jul 2019	R 2 726.00	28.5%	R 0.36	R 2 726.36
<b>Yellow Maize Future</b>				
Dec 2018				
Mar 2019				
May 2019	R 2 653.00	24%		R 2 653.00
Jul 2019	R 2 686.00	21%	R 0.36	R 2 686.36
Sep 2019	R 2 744.00	16.5%	R 10.26	R 2 754.26
Dec 2019	R 2 804.00	17.25%	R 17.32	R 2 821.32
Jul 2019	R 2 686.00	21%	R 0.36	R 2 686.36

The local Maize market traded mixed yesterday. The local May'19 WMAZ contract ended R15.00 down while May'19 YMAZ closed R5.00 higher. The Jul'19 WMAZ closed lower by R22.00 and Jul'19 YMAZ ended R2.00 down. The parity move for the May'19 Maize contract for yesterday was R4.00 negative.



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## Wheat Market

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

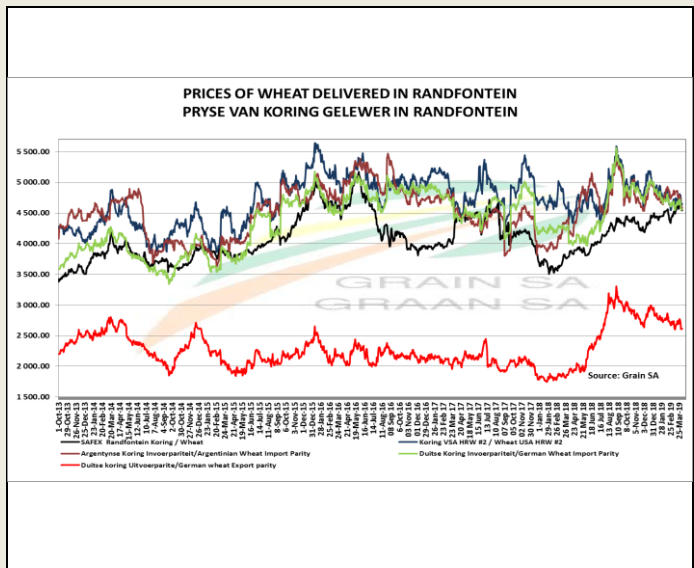
CBOT Wheat								KBOT Wheat							
Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm	Month	Yesterday 12pm	Main Session Close	Main Session Change	Main Session Change from 12pm	Current Overnight	Overnight Change from Main Session	Overnight Change from 12pm
JUL 2019	484.00	478.75	0.50	-5.25	479.75	1.00	-4.25	JUL 2019	441.00	436.00	1.50	-5.00	439.00	3.00	-2.00
SEP 2019	490.00	486.00	0.75	-4.00	486.50	0.50	-3.50	SEP 2019	451.00	446.25	1.25	-4.75	448.75	2.50	-2.25
DEC 2019	503.00	498.25	0.50	-4.75	499.25	1.00	-3.75	DEC 2019	471.00	466.75	1.25	-4.25	469.00	2.25	-2.00
MAR 2010	515.00	509.75	-0.50	-5.25	510.75	1.00	-4.25	MAR 2010	491.00	486.50	1.25	-4.50	488.25	1.75	-2.75
MAY 2010	521.00	514.75	-1.75	-6.25	515.75	1.00	-5.25	MAY 2010	504.00	499.75	1.50	-4.25	0.00	-499.75	-504.00



FarmFutures - Wheat prices were narrowly mixed but mostly lower on some profit-taking and technical selling Tuesday after booming 3.5% higher yesterday. July Chicago SRW futures inched a half-cent higher to \$4.7875, July Kansas City HRW futures fell 1.5 cents to \$4.33, and July MGEX spring wheat futures eased half a penny to \$5.4350. Spring wheat planting progress managed to exceed analyst expectations of 63% after USDA reported that 70% of the crop is now in the ground. This year's pace is still moderately behind 2018's 76% and the prior five-year average of 80%, however. And although analysts expected winter wheat crop quality to decline to 63% rated good-to-excellent, USDA raised its forecasts to reach 66% rated good-to-excellent. Another 26% of the crop is rated fair (down from 28% a week ago), with the remaining 8% rated poor or very poor (unchanged from last week). The European Union's Cocerec slightly upped its March estimates for 2019 soft wheat production, to 5.155 billion bushels. EU barley production is expected to ease slightly, meantime, to 2.710 billion bushels. Ethiopia purchased 22.0 million bushels of wheat from optional origins in an international tender that closed late last month. Drought continues to hamper the country's domestic production. Taiwan has purchased 4.1 million bushels of milling wheat from the U.S. in an international tender that closed earlier today. The grain is for shipment starting in July.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2018				
Mar 2019				
May 2019	R 4 390.00	0%		R 4 390.00
Jul 2019	R 4 412.00	12%	R -23.68	R 4 388.32
Sep 2019	R 4 411.00	0%	R -19.73	R 4 391.27
Dec 2019	R 4 366.00	12.5%	R -21.09	R 4 344.91
Jul 2019	R 4 412.00	12%	R -23.68	R 4 388.32
<b>Cape Wheat</b>				
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 R8.00 down and Jul'19 Weat closed R18.00 lower. The parity move for the May'19 Weat contract for yesterday was R35.00 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
JUL 2019	838.00	822.00	-9.75	-16.00	829.25	7.25
AUG 2019	845.00	828.75	-9.75	-16.25	836.25	7.50
SEP 2019	851.00	835.50	-9.50	-15.50	843.25	7.75
NOV 2019	864.00	848.50	-9.25	-15.50	855.50	7.00
JAN 2010	876.00	860.25	-9.50	-15.75	868.00	7.75

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2019	295.3	296.80
AUG 2019	296.9	298.40
SEP 2019	298.8	300.60
OCT 2019	300.6	300.90
DEC 2019	303.6	305.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2019	27.14	27.20
AUG 2019	27.26	27.33
SEP 2019	27.4	27.45
OCT 2019	27.54	27.60
DEC 2019	27.84	27.90



FarmFutures - Soybean prices fell more than 1% today over speculation about a new round of USDA aid, although no official announcements have been made at this time. July and August futures each dropped 9.75 cents to close at \$8.22 and \$8.2875, respectively.

Soybean basis bids were largely unchanged Tuesday but dropped by a penny at an Ohio elevator and 5 cents at an Ohio river terminal today.

Soybean planting progress is off to a sluggish start, with just 19% planted. That's up from 9% the prior week but well below 2018's pace of 53% and the prior five-year average of 47%. Analysts expected USDA to show progress reaching 22% this past week. Emergence is at 5%, compared to 24% in 2018 and the prior five-year average of 17%.

The Trump administration is considering soybean payments of up to \$2 per bushel to aid farmers hurt by the ongoing trade war with China. Other payments on the table include 63 cents per bushel of wheat and 4 cents per bushel of corn. Total aid could total \$20 billion, according to Bloomberg.

Preliminary volume estimates were for 317,452 contracts, moving 84% higher than Monday's final count of 172,054.

### South African Futures Exchange

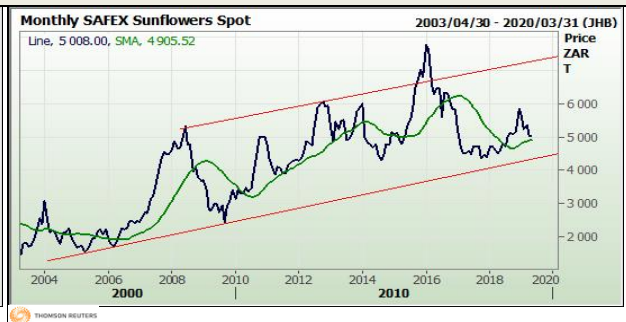
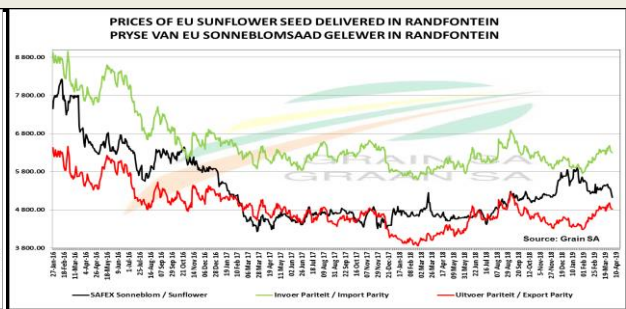
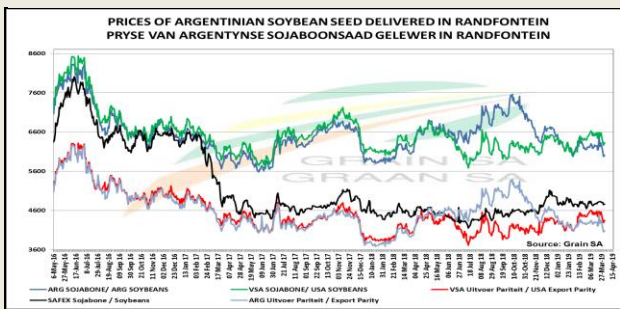
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2018				
Mar 2019				
May 2019	R 4 731.00	16%		R 4 731.00
Jul 2019	R 4 746.00	15%	R -48.37	R 4 697.63
Sep 2019	R 4 843.00	0%	R -43.11	R 4 799.89
Dec 2019	R 4 950.00	14%		R 4 950.00
Jul 2019	R 4 746.00	15%	R -48.37	R 4 697.63

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019	R 5 008.00	17%
Jul 2019	R 5 069.00	17.25%
Sep 2019	R 5 216.00	0%
Dec 2019	R 5 315.00	16%
Jul 2019	R 5 069.00	17.25%



The local Soya market traded higher yesterday. The local May'19 Soya contract ended R51.00 up and Jul'19 Soya closed R26.00 higher. The parity move for the May'19 Soya contract for yesterday was R62.00 negative.

The local Suns market closed higher yesterday. The local May'19 Suns contract closed R8.00 up and Jul'19 Suns closed R6.00 higher.



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