



**Fundamental Report**  
**10 June 2019**

## Financial Markets

### Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand	15.1045	14.9485	-0.1560	-1.03%
Euro/Rand	16.9918	16.9161	-0.0757	-0.45%
GBPound/Rand	19.1966	19.0187	-0.1779	-0.93%
AusDollar/Rand	10.5134	10.4304	-0.0830	-0.79%
Euro/USDollar	1.1251	1.1312	0.0061	0.54%
GBPound/USDollar	1.2711	1.2720	0.0009	0.07%
AusDollar/USDollar	0.6964	0.6973	0.0009	0.13%
JpyYen/USDollar	108.5900	108.4600	-0.1300	-0.12%

BDLive - Despite regaining a little bit of ground late on Friday, the rand recorded its worst week since the country experienced days of load-shedding in February.

The rand passed R15/\$ this week, pushed weaker by the continuing tit-for-tat in the ANC about the mandate of the Reserve Bank, and raising questions about the country's political stability.

Earlier this week, ANC secretary-general Ace Magashule said the party wanted to expand the role of the Bank. President Cyril Ramaphosa has, however, since refuted Magashule's statement with reassurances that the Bank's mandate will not be changed.

By 5.30pm on Friday, the rand had lost 2.56% against the dollar since Monday, its biggest weekly loss since it fell 3.3% in mid-February, when Eskom implemented stage 4 power cuts due to generation shortages and diesel supply constraints.

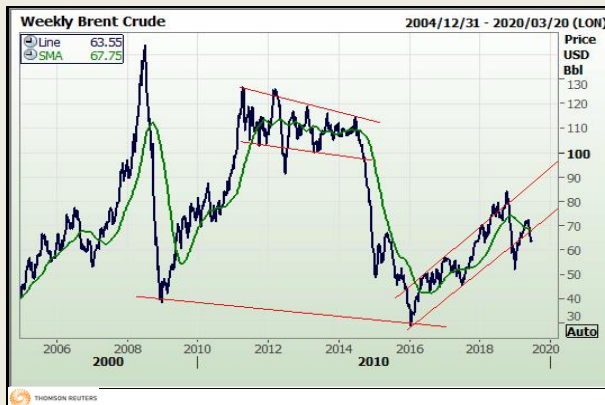


### Commodities

	Last	Value Change	% Change
Platinum	803.07	-3.41	-0.42%
Gold	1329.33	-10.97	-0.82%
Silver	14.80	-0.19	-1.29%
Copper	2.64	0.01	0.45%
Gasoil	564.00	6.00	1.06%
Brent Oil	63.55	0.26	0.41%

BDLive - Bengaluru — Gold prices steadied on Friday, but remained on course for their biggest weekly gain since March 2018, after rising expectations for a US rate cut and concerns over trade tussles boosted demand for safe-haven bullion. However, having failed earlier this week to breach its 2019 high of \$1,346.73, analysts expect the metal to consolidate until there is fresh impetus. Spot gold was steady at \$1,335.35 per ounce at 11.53 GMT, while US gold futures were down 0.2% at \$1,339.60.

"We have had quite a move higher earlier this week, but we are moving towards levels where the market will struggle to go much higher," ING analyst Warren Patterson said. Gold has rallied in a short span of time, having gained about 2.3% this week. "Overall sentiment is still fairly supportive for the gold market," Patterson added, attributing the recent rally to a two-pronged US trade spat with Mexico and China, and hopes for an interest-rate cut by the US Federal Reserve.



### Financials

	Current Bid	Value Change	% Change
JSE TOP 40	51976.89	0.00	0.00%
ALSI	52032.00	0.00	0.00%
S&P 500	2843.49	29.85	1.05%
FTSE	7259.85	72.09	0.99%
CAC	5364.05	0.00	0.00%
DAX	12045.38	0.00	0.00%
Hang Seng	26965.28	607.23	2.25%



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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	418.00	415.75	-4.75	-2.25	411.75	-4.00	-6.25
SEP 2019	426.00	424.25	-5.25	-1.75	420.00	-4.25	-6.00
DEC 2019	435.00	433.75	-4.75	-1.25	430.00	-3.75	-5.00
MAR 2010	443.00	442.50	-4.25	-0.50	439.00	-3.50	-4.00
MAY 2010	447.00	445.75	-4.25	-1.25	442.25	-3.50	-4.75

FarmFutures - Corn prices fell more than 1% Friday as planting pace could pick up next week on drier weather forecasts. July futures dropped 4.75 cents to \$4.1575, with September futures down 5.25 cents to \$4.2425.

Corn basis bids continued to firm Friday, moving 2 to 5 cents higher across multiple Midwestern locations today. Farmer sales remain sluggish for now.

Ahead of USDA's June World Agricultural Supply and Demand Estimates (WASDE) report, out next Tuesday morning, analysts expect the agency to show a significant downgrade in its corn production estimates, moving from 15.030 billion bushels a month ago down to 14.251. Analysts also expect USDA to report average yield potential falling from 176.0 bushels per acre to 172.4 bpa. French consultancy FranceAgriMer reports a slight increase to the country's 2019 corn quality, moving from 81% in good-to-excellent condition a week ago up to 82%.

South Korea purchased 2.6 million bushels of corn, likely from South America, in a private deal earlier this week. The grain is for shipment between mid-August and mid-September.

Farmers have been sharing their stories of planting progress – however slow – to Farm Futures Feedback from the Field. Click here to read the latest round of farmer anecdotes and access our interactive map.

President Donald Trump once again reiterated his tariff threat levied at Mexico today, noting in a tweet that the country needs to start buying more U.S. agricultural products to avoid paying additional 5% tariffs starting next Monday.

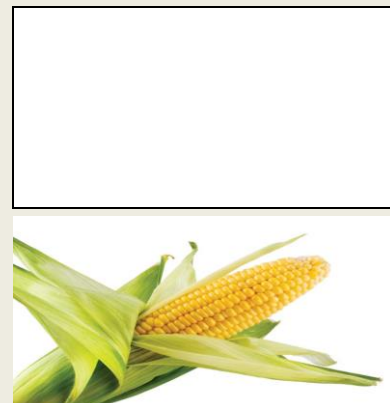
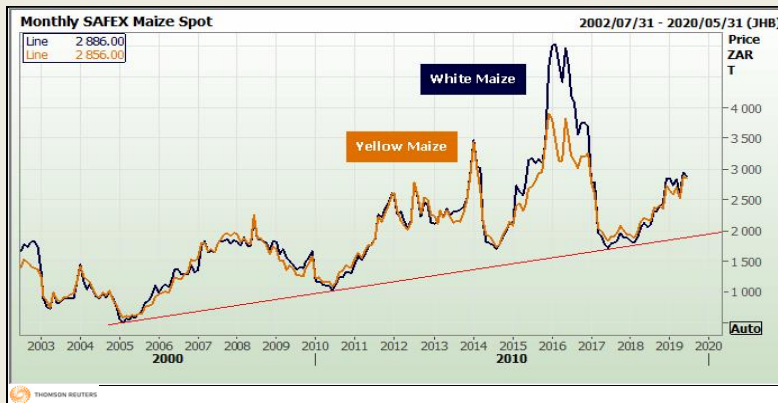
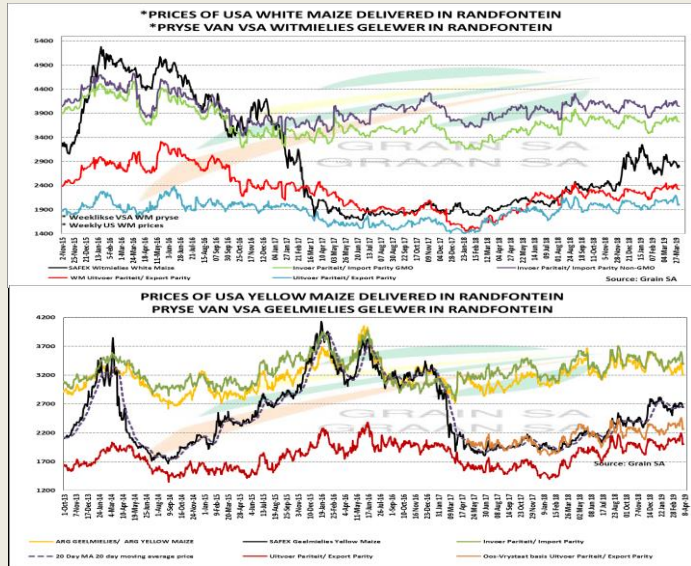
Preliminary volume estimates were for 294,855 contracts, falling significantly below Thursday's final count of 585,029.



### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>White Maize Future</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 919.00	39.5%	R -62.45	R 2 856.55
Sep 2019	R 2 965.00	25%	R -61.47	R 2 903.53
Dec 2019	R 3 058.00	26.25%	R -56.14	R 3 001.86
Jul 2019	R 2 919.00	39.5%	R -62.45	R 2 856.55
<b>Yellow Maize Future</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 885.00	28%	R -62.45	R 2 822.55
Sep 2019	R 2 940.00	19%	R -61.47	R 2 878.53
Dec 2019	R 3 009.00	18.5%	R -56.14	R 2 952.86
Jul 2019	R 2 885.00	28%	R -62.45	R 2 822.55

The local Maize market traded higher yesterday. The local Jul'19 WMAZ contract ended R54.00 up and Jul'19 YMAZ closed R53.00 higher. The Sep'19 WMAZ closed higher by R46.00 and Sep'19 YMAZ ended R52.00 up. The parity move for the Jul'19 Maize contract for yesterday was R55.00 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	504.00	504.50	-5.50	0.50	497.50	-7.00	-6.50	JUL 2019	451.00	449.00	-6.25	-2.00	442.75	-6.25	-8.25
SEP 2019	508.00	509.50	-4.75	1.50	503.00	-6.50	-5.00	SEP 2019	464.00	462.00	-6.50	-2.00	455.50	-6.50	-8.50
DEC 2019	519.00	522.25	-3.50	3.25	516.00	-6.25	-3.00	DEC 2019	488.00	485.50	-6.25	-2.50	479.50	-6.00	-8.50
MAR 2010	529.00	534.00	-2.50	5.00	528.25	-5.75	-0.75	MAR 2010	509.00	507.25	-6.25	-1.75	501.50	-5.75	-7.50
MAY 2010	536.00	540.75	-1.50	4.75	535.50	-5.25	-0.50	MAY 2010	524.00	522.25	-5.50	-1.75	518.25	-4.00	-5.75



FarmFutures - Wheat prices were mixed but mostly lower Friday amid a round of profit-taking after capturing double-digit gains yesterday. July Chicago SRW futures dropped 5.5 cents to \$5.0450, with July Kansas City HRW futures down 7.25 cents to \$4.48. MGEX spring wheat contracts bucked the trend, with July futures firming 3.75 cents to \$5.69.

Meantime, markets continue to monitor dry weather reported in major production regions overseas, including in Canada, Russia and Australia.

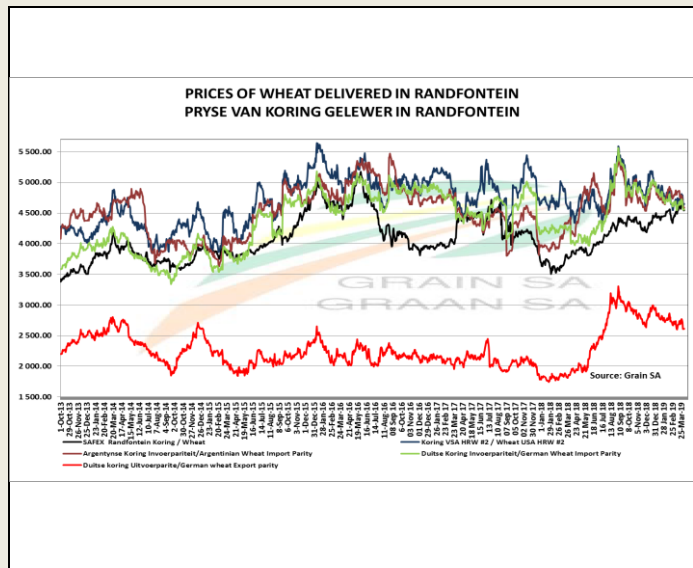
Ahead of next Tuesday's WASDE report from USDA, analysts expect the agency to slightly reduce its estimates for 2018/19 U.S. wheat stocks from 1.127 billion bushels to 1.121 billion bushels.

French consultancy FranceAgriMer reports a small uptick in the country's 2019 soft wheat crop quality, moving from 79% in good-to-excellent condition a week ago up to 80%.

Preliminary volume estimates were for 110,368 CBOT contracts, falling 57% below Thursday's final count of 254,285.

### South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
<b>Bread Milling Wheat</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 4 565.00	12%	R -64.59	R 4 500.41
Sep 2019	R 4 560.00	0%	R -56.58	R 4 503.42
Dec 2019	R 4 470.00	12.5%	R -46.23	R 4 423.77
Jul 2019	R 4 565.00	12%	R -64.59	R 4 500.41
<b>Cape Wheat</b>				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019				
Dec 2019				
Jul 2019				



The local Wheat market closed higher yesterday. The local Jul'19 Weat contract closed R27.00 up and Sep'19 Weat closed R37.00 higher. The parity move for the Jul'19 Weat contract for yesterday was R56.00 negative.



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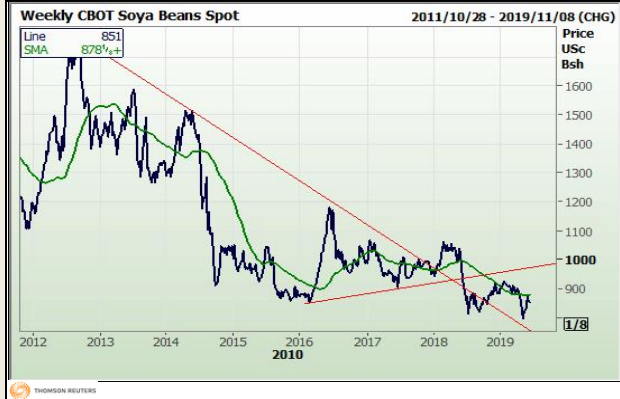
## Oil Seed Market

### 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	864.00	856.25	-12.50	-7.75	850.75	-5.50
AUG 2019	871.00	863.00	-12.25	-8.00	857.25	-5.75
SEP 2019	877.00	870.00	-12.25	-7.00	864.25	-5.75
NOV 2019	890.00	883.00	-12.25	-7.00	878.00	-5.00
JAN 2010	904.00	896.50	-12.25	-7.50	891.50	-5.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2019	312.3	309.80
AUG 2019	313.6	310.90
SEP 2019	315.3	312.60
OCT 2019	317	313.90
DEC 2019	320.7	317.90

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2019	27.38	27.34
AUG 2019	27.52	27.50
SEP 2019	27.63	27.62
OCT 2019	27.75	27.69
DEC 2019	28.03	28.01



FarmFutures - Soybean prices sagged about 1.5% Friday with more agreeable planting weather on the horizon next week for much of the Midwest and Plains. July futures tilted 12.5 cents lower to \$8.5625, with August futures down 12.25 cents to \$8.63.

Soybean basis bids moved 2 to 5 cents higher at several Midwestern processors and firmed by as much as 9 cents at an Ohio elevator today, remaining steady elsewhere across the central U.S.

Ahead of June's WASDE report from USDA, out next Tuesday morning, analysts expect the agency to drop its 2019 soybean production estimates from 4.150 billion bushels in May down to 4.123 billion bushels. Analysts also expect the agency to trim its estimates for per-acre yields, from 49.5 bushels per acre to 49.0 bpa. Private exporters reported to USDA the sale of 4 million bushels for delivery to Egypt. Half of the total is for delivery this marketing year, with the rest for delivery in 2019/20. This was the first large grain sale reported to USDA since May 24.

There was a noticeable lack of headlines this week regarding ongoing U.S.-China trade negotiations, which are expected to drag on for the foreseeable future. Erin Ennis, vice president of the U.S. China Business Council, told CNBC yesterday that "we have a lot of companies that are very concerned generally about the direction of U.S.-China relations." Preliminary volume estimates were for 152,291 contracts, sinking 26% below Thursday's final count of 205,161.

### South African Futures Exchange

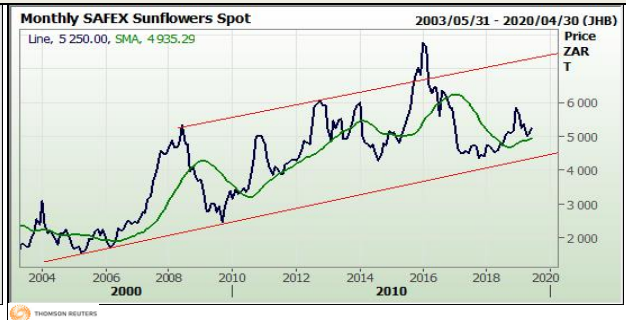
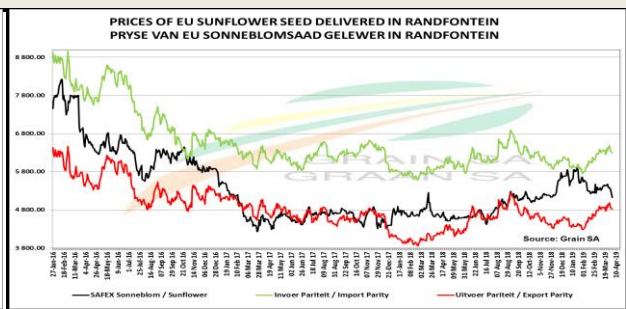
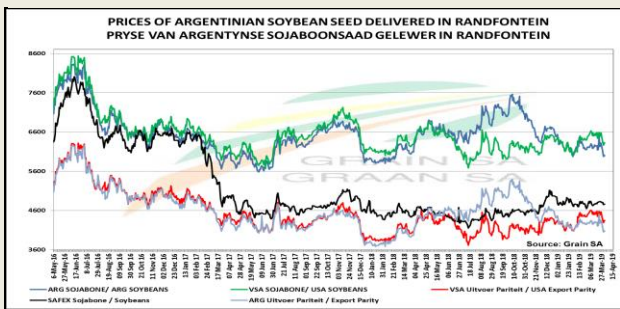
Soybean Future				
	MTM	Vols	Parity Change	Market Price
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 5 332.00	15%	R -122.30	R 5 209.70
Sep 2019	R 5 404.00	0%	R -120.30	R 5 283.70
Dec 2019	R 5 497.00	14%		R 5 497.00
Jul 2019	R 5 332.00	15%	R -122.30	R 5 209.70

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019		
Jul 2019	R 5 314.00	17.25%
Sep 2019	R 5 432.00	0%
Dec 2019	R 5 545.00	16%
Jul 2019	R 5 314.00	17.25%



The local Soya market traded higher yesterday. The local Jul'19 Soya contract ended R89.00 up and Sep'19 Soya closed R75.00 higher. The parity move for the Jul'19 Soya contract for yesterday was R113.00 negative.

The local Suns market closed higher yesterday. The local Jul'19 Suns contract closed R39.00 up and Sep'19 Suns closed R30.00 higher.



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