



Fundamental Report
12 June 2019

Financial Markets

Currencies

Currency	Bid - Yesterday 12pm	Current Bid	Value Change	% Change
USDollar/Rand		The record	#VALUE!	#VALUE!
Euro/Rand	16.7007	16.6019	-0.0988	-0.59%
GBPound/Rand	18.7478	18.6235	-0.1243	-0.66%
AusDollar/Rand	10.2557	10.1746	-0.0811	-0.79%
Euro/USDollar	1.1317	1.1331	0.0014	0.12%
GBPound/USDollar	1.2710	1.2715	0.0005	0.04%
AusDollar/USDollar	0.6955	0.6948	-0.0007	-0.10%
JpyYen/USDollar	108.6800	108.4700	-0.2100	-0.19%

BDLive - The JSE closed higher on Tuesday, with mining stocks leading the way, as global sentiment towards riskier assets improved.

Risk-on trade returned after the US and Mexico averted a 5% tariff on Mexican imports. The two countries reached an agreement to curb illegal migration from Mexico to the US. However, global markets continue to monitor the US-China trade war after US President Donald Trump said he is prepared to impose further tariffs on China if the two economic superpowers do not reach an agreement at the G20 summit later this month. At the close of the JSE, the Dow had gained 0.25% to 26,127.58 points. In Europe, the FTSE 100 was up 0.34%, France's CAC 40 0.53% and Germany's DAX 30 1.04%. Earlier, in Asia, the Shanghai Composite gained 2.58%, the Hong Kong's Hang Seng 0.76% and Japan's Nikkei 225 0.33%.

The rand gradually recovered throughout the day, in its third consecutive day of gains, after it fell through R15/\$ last week to its lowest level in eight months following the ANC's tit-for-tat on the mandate of the Reserve Bank, as well as poor economic data.



Commodities

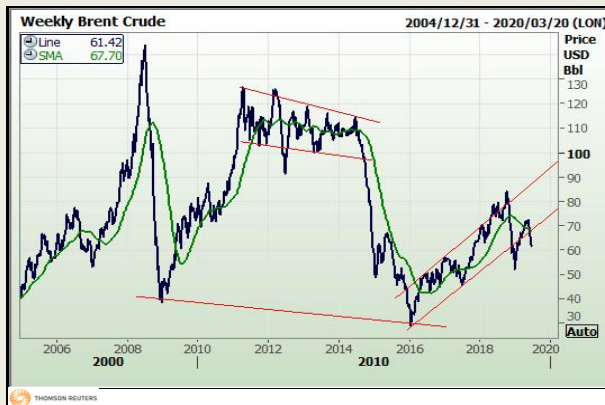
	Last	Value Change	% Change
Platinum	817.85	4.85	0.59%
Gold	1332.23	5.57	0.42%
Silver	14.80	0.10	0.65%
Copper	2.66	-0.01	-0.28%
Gasoil	553.50	-5.75	-1.04%
Brent Oil	61.41	-0.88	-1.43%

BDLive - Bengaluru — Gold fell to a one-week low on Tuesday as the US halted its plans to impose tariffs on Mexico, boosting appetite for riskier assets such as equities at the expense of alternatives, such as bullion.

Spot gold was down 0.4% at \$1,322.39 an ounce, having earlier hit its lowest since June 4 at \$1,320.75. US gold futures fell 0.2% to \$1,326.1 an ounce.

Concerns over global trade and expectations that the US Federal Reserve would cut US interest rates sent spot prices to their highest since April 2018 last week at \$1,348.08.

Bullion lost more than 1% on Monday after markets took heart from a deal between the US and Mexico to avert yet another tariff war. However, US secretary of state Mike Pompeo warned on Monday that the US could still slap tariffs on Mexico if not enough progress is made on its commitment to stem illegal immigration.



Financials

	Current Bid	Value Change	% Change
JSE TOP 40	52656.33	0.00	0.00%
ALSI	52794.00	0.00	0.00%
S&P 500	2886.73	-1.01	-0.03%
FTSE	7375.54	22.91	0.31%
CAC	5408.45	0.00	0.00%
DAX	12155.81	0.00	0.00%
Hang Seng	27789.34	-415.17	-1.49%



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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	412.00	427.75	12.00	15.75	427.50	-0.25	15.50
SEP 2019	420.00	436.25	12.25	16.25	436.00	-0.25	16.00
DEC 2019	431.00	447.00	12.50	16.00	446.25	-0.75	15.25
MAR 2010	440.00	455.50	12.00	15.50	455.00	-0.50	15.00
MAY 2010	444.00	458.50	10.75	14.50	457.00	-1.50	13.00

FarmFutures - Corn prices soared about 2.5% higher Tuesday after USDA estimates for 2019 U.S. corn production fell moderately below analyst expectations. July futures added 12 cents to \$4.2775, while September futures tracked 12.25 cents higher to \$4.3625.

Corn basis bids were mostly steady to firm Tuesday, rising 2 to 3 cents higher across multiple Midwestern locations today.

USDA sharply lowered its estimates for 2019 U.S. corn production by nearly 9% in this morning's WASDE report from a month ago, to 13.68 billion bushels, on average yield potential of 166.0 bushels per acre across 82.4 million acres. That tally was even lower than analysts expected - predicting the agency would report 14.040 billion bushels on average yields of 171.14 bpa.

The updated data still have 2018/19 corn ending stocks moderately ahead of May, moving from 2.095 billion bushels to 2.195 billion bushels. U.S. ending stocks for 2019/20 were a different matter. USDA marked a significant reduction, from 2.485 billion bushels in May down to 1.675 billion bushels.

Corn plantings reached 83% for the week ending June 9 - up from 67% the prior week and in line with analyst expectations. However, the crop is typically much nearer the finish line by early June, with 2018's pace and the five-year average both 99% by this time.

Another 62% of this year's crop is now emerged, up from the prior week's tally of 46% but still far behind last year's pace and the five-year average, both at 93%.

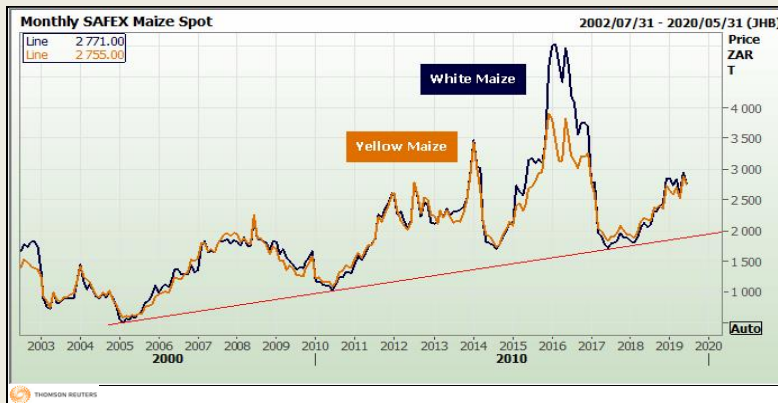
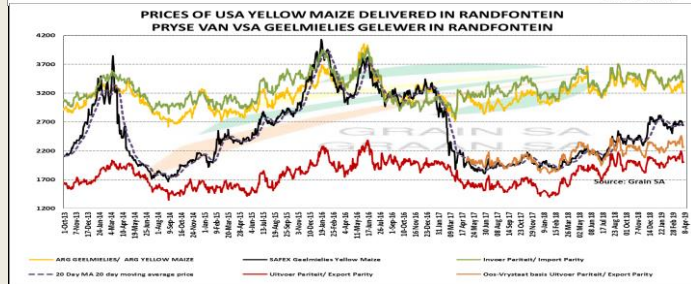
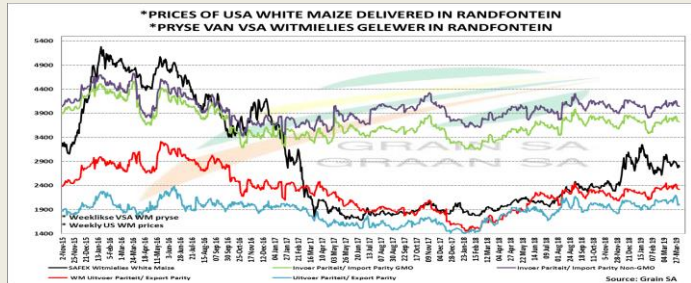
Corn crop quality managed to best analyst expectations, however, with USDA placing 59% in good-to-excellent condition. The agency rated another 32% of the crop in fair condition, with the remaining 9% rated poor or very poor. USDA will continue to update these numbers each week through harvest.



South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
White Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 795.00	36.5%		R 2 795.00
Sep 2019	R 2 847.00	25%		R 2 847.00
Dec 2019	R 2 941.00	26.75%		R 2 941.00
Jul 2019	R 2 795.00	36.5%		R 2 795.00
Yellow Maize Future				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 2 777.00	28%		R 2 777.00
Sep 2019	R 2 833.00	19%		R 2 833.00
Dec 2019	R 2 902.00	18.5%		R 2 902.00
Jul 2019	R 2 777.00	28%		R 2 777.00

The local Maize market traded lower yesterday. The local Jul'19 WMAZ contract ended R50.00 down and Jul'19 YMAZ closed R33.00 lower. The Sep'19 WMAZ closed lower by R52.00 and Sep'19 YMAZ ended R33.00 down. The parity move for the Jul'19 Maize contract for yesterday was R71.00 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	502.00	518.00	10.50	16.00	518.00	0.00	16.00	JUL 2019	444.00	457.50	4.50	13.50	456.50	-1.00	12.50
SEP 2019	506.00	521.25	9.50	15.25	521.50	0.25	15.50	SEP 2019	458.00	470.25	4.25	12.25	468.00	-2.25	10.00
DEC 2019	518.00	532.00	7.50	14.00	532.50	0.50	14.50	DEC 2019	480.00	493.25	4.00	13.25	490.50	-2.75	10.50
MAR 2010	531.00	542.00	5.50	11.00	542.50	0.50	11.50	MAR 2010	503.00	515.00	3.50	12.00	514.00	-1.00	11.00
MAY 2010	537.00	546.75	4.25	9.75	546.75	0.00	9.75	MAY 2010	519.00	529.25	3.00	10.25	519.00	-529.25	-519.00



FarmFutures - Wheat prices moved moderately higher after USDA reported smaller-than-expected carryout, with additional support from surging corn prices. July Chicago SRW futures gained 10.5 cents to \$5.18, July Kansas City HRW futures added 5 cents to \$4.58, and July MGEX spring wheat futures picked up a penny to \$5.6925.

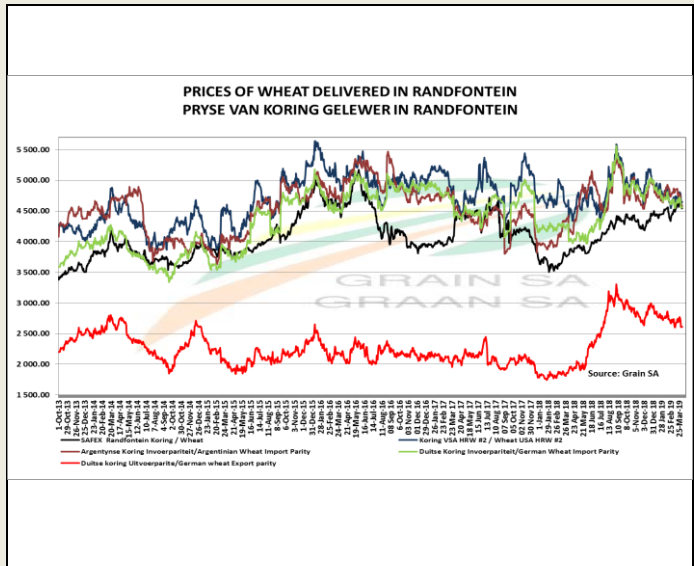
USDA raised its estimates on 2019/20 U.S. wheat crop production estimates in this morning's WASDE report, moving it from 1.897 billion bushels in May up to 1.903 billion bushels. A small drop in soft red winter and white winter wheat production was more than offset by gains from other wheat types, including hard red winter.

The agency lowered its estimates for 2018/19 U.S. wheat ending stocks, from 1.27 billion bushels down to 1.102 billion bushels. Wheat ending stocks for 2019/20 are also in decline, from 1.141 billion bushels last month down to 1.072 billion bushels.

USDA held steady its quality assessments for this year's winter wheat crop, with 64% in good-to-excellent condition. Analysts expected the agency to lower that number to 63%. Another 27% of the crop is rated fair, with the remaining 9% rated poor or very poor – all unchanged from a week ago. And spring wheat planting is nearly complete, reaching 97% this past week. That's an improvement from 93% the week prior and just behind 2018's pace and the five-year average of 99%. Emergence is now at 85%, up from 69% last week.

South African Futures Exchange

	MTM	Volatility	Parity Change	Parity Price
Bread Milling Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019	R 4 451.00	12%		R 4 451.00
Sep 2019	R 4 467.00	0%		R 4 467.00
Dec 2019	R 4 430.00	12.5%		R 4 430.00
Jul 2019	R 4 451.00	12%		R 4 451.00
Cape Wheat				
Dec 2018				
Mar 2019				
May 2019				
Jul 2019				
Sep 2019				
Dec 2019				
Jul 2019				



The local Wheat market closed lower yesterday. The local Jul'19 Wheat contract closed R76.00 down and Sep'19 Wheat closed R51.00 lower. The parity move for the Jul'19 Wheat contract for yesterday was R65.00 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	854.00	859.25	0.75	5.25	857.50	-1.75
AUG 2019	861.00	866.25	1.00	5.25	864.50	-1.75
SEP 2019	868.00	873.25	1.00	5.25	871.50	-1.75
NOV 2019	881.00	887.00	1.25	6.00	885.00	-2.00
JAN 2010	895.00	900.25	1.25	5.25	898.25	-2.00

CBOT Soybean Meal		
Month	Main Session Close	Current Overnight
JUL 2019	314.4	313.00
AUG 2019	315.6	314.10
SEP 2019	317.3	315.80
OCT 2019	319.1	317.10
DEC 2019	322.7	321.00

CBOT Soybean Oil		
Month	Main Session Close	Current Overnight
JUL 2019	27.22	27.20
AUG 2019	27.35	27.32
SEP 2019	27.47	27.46
OCT 2019	27.59	27.61
DEC 2019	27.86	27.86



FarmFutures - Soybean prices spent most of Tuesday's session in the red in a choppy session but moved slightly into the green on a late-breaking rally just ahead of the close. July futures finished up 0.75 cents to \$8.5925, with August futures adding a penny to reach \$8.6625. Soybean basis bids moved 5 to 15 cents across several Midwestern locations Tuesday, remaining steady elsewhere across the central U.S. today. In this morning's WASDE report, soybean production estimates held steady at 4.15 billion bushels from May. USDA also held acreage estimates steady, at 83.8 million acres, with per-acre yield projections of 49.5 bpa also unchanged from a month ago. 2018/19 soybean ending stocks moved higher, from 995 million bushels to 1.070 billion bushels. Soybean ending stocks for 2019/20 also moved a bit higher, from 970 million bushels up to 1.045 billion bushels. Soybean planting progress reached 60% last week, versus the prior week's mark of 39% and ahead of analyst expectations of 56%. The crop is still significantly behind 2018's pace of 92% and the five-year average of 88%, however. Another 34% of this year's soybean crop is now emerged, versus 19% the prior week, 82% in 2018 and a five-year average of 73%.

Brazilian consultancy Abiove made no changes to its earlier production estimates of 4.321 billion bushels. The group's projection for Brazilian soybean exports this year are also unchanged, at 2.502 billion bushels. Brazil's Conab estimates slightly lower soybean production this year, meantime, at 4.207 billion bushels.

Preliminary volume estimates were for 224,256 contracts, moving about 17% higher than Monday's final count of 192,170.

South African Futures Exchange

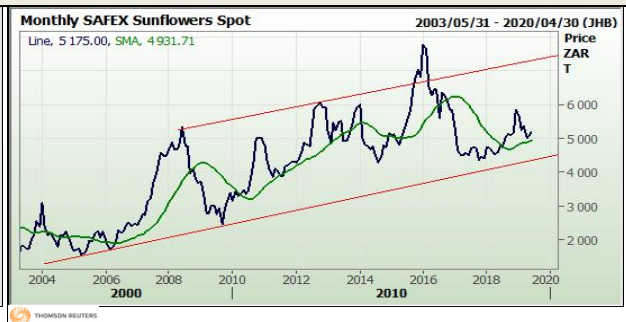
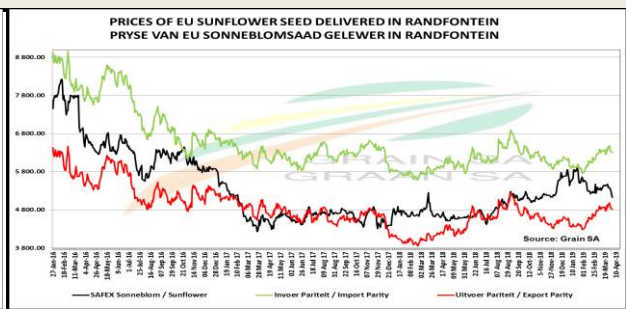
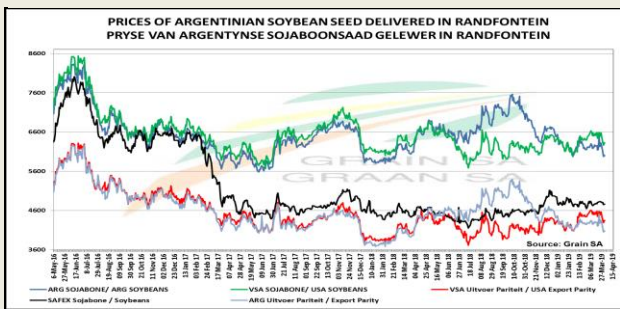
Soybean Future			
	MTM	Vols	Market Price
Dec 2018			
Mar 2019			
May 2019			
Jul 2019	R 5 337.00	15%	R 5 337.00
Sep 2019	R 5 422.00	0%	R 5 422.00
Dec 2019	R 5 517.00	14%	R 5 517.00
Jul 2019	R 5 337.00	15%	R 5 337.00

Sunflower Seeds Future		
	MTM	Vols
Dec 2018		
Mar 2019		
May 2019		
Jul 2019	R 5 224.00	17.25%
Sep 2019	R 5 355.00	0%
Dec 2019	R 5 475.00	16%
Jul 2019	R 5 224.00	17.25%



The local Soya market traded mixed yesterday. The local Jul'19 Soya contract ended R13.00 down while Sep'19 Soya closed R1.00 higher. The parity move for the Jul'19 Soya contract for yesterday was R15.00 negative.

The local Suns market closed lower yesterday. The local Jul'19 Suns contract closed R43.00 down and Sep'19 Suns closed R42.00 lower.



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